

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1250-02
Bill No.: HB 401
Subject: Boards, Commissions, Committees, Councils; Dentists; Health Department
Type: Original
Date: February 26, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(Could exceed \$397,228)	(Could exceed \$412,961)	(Could exceed \$415,433)
Dental Board	(\$2,687)	(\$11,052)	(\$11,365)
Total Estimated Net Effect on <u>All</u> State Funds	(COULD EXCEED \$399,915)	(COULD EXCEED \$424,013)	(COULD EXCEED \$426,798)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Federal	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds*	\$0	\$0	\$0

***Revenues and expenditures greater than \$508,560 annually net to \$0.**

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance**, the **Department of Transportation**, and the **Department of Conservation** assume this proposal would not fiscally impact their agencies.

Missouri Consolidated Health Care Plan (HCP) officials state this proposal would allow a child's treating physician to administer fluoride treatments, provide literature on routine dental care for children, and would establish an Advisory Commission for Dental Hygienists. HCP states the routine dental literature and advisory commission would fall under the Department of Health's duties. Therefore, the administration of dental fluoride would affect health providers. HCP states that since the proposal does not mandate the care, it is difficult to estimate how many physicians would actually perform this service and include the cost in the contract negotiations with the plans. However, HCP feels any cost associated with the fluoride treatments would be minimal.

Officials from the **Department of Social Services (DOS)** state the proposal would allow physicians to administer fluoride treatments for children they are treating for immunizations. DOS states the proposal would also allow dental hygienists to provide fluoride treatments, teeth cleaning, and sealants without a dentist's supervision. DOS states this would allow greater access to these dental services. DOS is unable to estimate the increase in billed units that would result from these two provisions.

In addition section 332.311.2 would require Medicaid to reimburse no less than seventy-five percent of usual and customary cost for fluoride treatments, teeth cleaning, and sealants provided to children. For example, DOS estimates the cost to increase the reimbursements to seventy-five percent of current services to be \$873,186. DOS estimates that one Medicaid Clerk (\$27,121) would be necessary to process the enrollments of licensed dental hygienists as Medicaid providers.

DOS estimates the total fiscal impact to be unknown but greater than \$800,000.

Department of Health (DOH) officials state the Department of Economic Development - Division of Professional Registration would incur costs associated with the Hygienist Board. DOH also states there could be some costs associated with the development of a rule for independent hygienist practices in local public health agencies but that cost is not known and would be expected to be minimal. DOH states there would be no local costs as this would be a voluntary program for local public health agencies. DOH states the costs to Medicaid per the 75% of usual and customary charge is not known. DOH states they assume that they would contract for professional services to administer this program. DOH states that the costs would include administrative services, laboratory services, and office expenses. DOH estimates costs of

ASSUMPTION (continued)

\$80,000 annually.

Officials from the **Office of Secretary of State (SOS)** state this proposal creates the Advisory Commission for Dental Hygienists. SOS states that based on experience with other divisions, the rules, regulations, and forms issued by the Department of Health could require as many as 6 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register in the Code because cost statements, fiscal notes, and the like are not repeated in Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. The actual cost could be more or less than the numbers given. The fiscal impact of this proposal in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded, or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple proposals pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Economic Development (DED)-Professional Registration (DPR)** assume the proposed legislation would result in increased costs related to the establishment of the Advisory Commission for Dental Hygienists. The DPR assumes annual meeting expenses of \$7,096 would be incurred for the Advisory Commission to meet quarterly, for two days each.

The DPR assumes a .5 Licensure Technician II (.5 FTE at \$24,492 per year) would be needed to provide technical support directly to the Principal Assistant. This individual would be responsible for coordinating advisory board meetings, including, but not limited to, agenda preparation, minutes, etc.

Office and communication expenses and equipment are based on estimated existing costs within the Division and follow OA guidelines.

The DPR also assumes the Office of the Attorney General would provide approximately 60 hours of assistance per year with rules, opinions and meetings at a cost of \$60.87 per hour, resulting in annual costs of \$3,652.

NOTE: The DPR assumes a license fee increase for dental hygienists may be necessary to cover the costs associated with this proposal.

Oversight assumes workload associated with the licensing of dental hygienists is currently

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ASSUMPTION (continued)

occurring. Thus, the proposal should not create additional workload associated with licensees. Any additional workload would be associated with quarterly meetings for the newly created Advisory Commission. Therefore, it is assumed any additional workload associated with quarterly meetings could be absorbed with existing resources. However, if the additional workload should be significant, then the DPR could request additional resources through the normal budget process.

For purposes of this fiscal note, **Oversight** has included costs associated with quarterly meeting expenses for the Advisory Commission and costs for the Attorney General to assist the Advisory Commission. Oversight assumes the Commission would only meet one time in FY 01, since the members would be required to be appointed by April 1, 2001, and therefore, has adjusted meeting expenses accordingly for FY 01.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
GENERAL REVENUE FUND			
<u>Cost - Department of Social Services</u>			
Medical assistance payments	<u>(Could exceed \$330,561)</u>	<u>(Could exceed \$330,561)</u>	<u>(Could exceed \$330,561)</u>
<u>Cost - Department of Health</u>			
Contracted professional services	<u>(\$66,667)</u>	<u>(\$82,400)</u>	<u>(\$84,872)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(COULD EXCEED \$397,228)</u>	<u>(COULD EXCEED \$412,961)</u>	<u>(COULD EXCEED \$415,433)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
DENTAL BOARD FUND			
<u>Cost - Department of Economic Development - Division of Professional Registration</u>			
Meeting expense	(\$1,774)	(\$7,309)	(\$7,528)
Attorney General expense	(\$913)	(\$3,743)	(\$3,837)
Total <u>Costs</u> - DED - DPR	<u>(\$2,687)</u>	<u>(\$11,052)</u>	<u>(\$11,365)</u>
ESTIMATED NET EFFECT ON DENTAL BOARD FUND FEDERAL FUNDS	<u>(\$2,687)</u>	<u>(\$11,052)</u>	<u>(\$11,365)</u>
<u>Income - Department of Social Services</u>			
Medicaid reimbursements*	could exceed \$508,560	could exceed \$508,560	could exceed \$508,560
<u>Cost - Department of Social Services</u>			
Medical assistance payments*	<u>could exceed (\$508,560)</u>	<u>could exceed (\$508,560)</u>	<u>could exceed (\$508,560)</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS*	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

***Total income and expenditures expected to exceed \$508,560 annually, with a net effect of zero.**

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small dental and doctors offices would expect to be fiscally impacted to the extent they would incur additional revenue and costs as a result of the requirements of this proposal.

DESCRIPTION

This proposal would allow additional persons to provide certain dental treatments to children, establishes a dental hygienist advisory commission, and would provide for donated dental services. Section 167.181 currently requires children to be immunized. This proposal would allow a physician to administer the appropriate fluoride treatment to a child during an immunization visit. Section 192.070 would require the Bureau of Child Hygiene to issue educational literature. This proposal would require the inclusion of the importance of routine dental care for children in the materials. Section 332.086 would establish a five member Advisory Commission for Dental Hygienists to make recommendations to the Missouri Dental Board. It would include the dental hygienist currently serving on the Dental Board. All members would be appointed by April 1, 2002. Section 332.311 currently prohibits dental hygienists from practicing without the supervision of a dentist. This proposal would create an exception by allowing a dental hygienist practicing in a public health setting to provide fluoride treatments, teeth cleaning, and sealants to children who are eligible for Medicaid. These procedures may be done without the supervision of a dentist. Medicaid would reimburse all dentists, dental hygienists and pediatricians who provide the above services at seventy-five percent of the usual and customary cost, which would be determined by the Division of Medical Services. Public health settings would be defined jointly by the Department of Health and the Missouri Dental Board. This provision will expire on August 28, 2006.

Section 332.324 allows the establishment of a donated dental services program for certain eligible persons. The Department of Health may contract with the Missouri Dental Board or other organizations to provide certain free dental services to eligible needy, disabled, elderly, and medically-compromised individuals. The administering organization must submit an annual report to the Department and the Department must establish eligibility criteria.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development
Department of Transportation
Department of Health
Department of Social Services
Missouri Consolidated Health Care Plan
Department of Insurance
Office of Secretary of State

NOT RESPONDING: Department of Public Safety - Missouri State Highway Patrol



Jeanne Jarrett, CPA
Director

February 26, 2001