

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1040-02  
Bill No.: HB 538  
Subject: Liability; Drugs and Controlled Substances; Medical Procedures and Personnel  
Type: Original  
Date: March 5, 2015

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Bill Summary: This proposal allows physicians to prescribe naloxone to any individual to administer, in good faith, to another individual suffering from an opiate-induced drug overdose.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(\$961,197)	(\$96,169)	(\$96,169)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$961,197)</b>	<b>(\$96,169)</b>	<b>(\$96,169)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Federal*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Income and expenses net to \$0.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD)** state this proposal allows a physician to prescribe an opioid antagonistic drug and appropriate device to administer the drug to an individual to administer, in good faith, to an individual suffering from an opioid-related drug overdose. The proposal permits an individual to possess an opioid antagonist.

Participants with a diagnosis of opioid abuse or opioid dependence would be eligible to receive this opioid antagonistic drug/device. This drug/device would be covered if it met the MHD criteria that would promote appropriate utilization of the drug.

**MHD assumed that there would be a 50% utilization of this drug for participants with an opioid abuse/opioid dependence diagnosis.**

There are currently 9,116 MHD participants who have a diagnosis of opioid abuse or opioid dependence. MHD assumed that 50% (4,558) of the participants would receive the opioid antagonistic in the first year. The current cost of the drug is \$575, so the impact in the first year would be \$2,620,850 (\$961,197 GR; \$1,659,653 Federal).

In subsequent years, MHD assumes an additional 456 opioid antagonistic drug/devices (10% X 4,558) would be prescribed. This count multiplied by the cost of \$575 provides an ongoing cost of \$262,200 (\$96,169 GR; \$166,031 Federal) annually.

Officials from the **Cole County Sheriff's Office** indicate the cost of this proposal would be very low. It involves a training model for Deputies.

**Oversight** assumes "very low" costs to be absorbable by the Cole County Sheriff's Office.

Officials from the **Department of Health and Senior Services, the Department of Insurance, Financial Institutions and Professional Registration, the Department of Mental Health, the Department of Natural Resources, the Department of Public Safety, Missouri State Highway Patrol, the Missouri Department of Conservation, the Office of Administration, Division of General Services, the Office of State Courts Administrator, the Boone County Sheriff's Department, the Springfield Police Department, and Central County Fire & Rescue** each assume the proposal would not fiscally impact their respective agencies.

ASSUMPTION (continued)

Officials from the following **law enforcement agencies**: Buchanan County Sheriff's Department, Clark County Sheriff's Department, Columbia Police Department, Independence Police Department, Jackson County Sheriff's Department, Jefferson City Police Department, Jefferson County 911 Dispatch, Platte County Sheriff's Department, St. Charles Police Department, St. Joseph Police Department, St. Louis County Police Department and the St. Louis Metropolitan Police Department did not respond to **Oversight's** request for a statement of fiscal impact.

Officials from the following **ambulance districts**: Jefferson County 911 Dispatch, St. Charles County Ambulance District, Taney County Ambulance District and Valle Ambulance District did not respond to **Oversight's** request for a statement of fiscal impact.

Officials from the following **fire protection districts**: Battlefield Fire Protection District, Centralia Fire Department, Creve Couer Fire District, DeSoto Rural Fire Protection District, Eureka Fire Protection, Hawk Point Fire Protection District, Hillsboro Fire Protection District, Jefferson County 911 Dispatch, Lake St. Louis Fire District, Mehlville Fire District, Nixa Fire Protection District, Saline Valley Fire Protection District and the Southern Iron County Fire Protection District did not respond to **Oversight's** request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
<b>GENERAL REVENUE FUND</b> (§§195.206 and 338.205)			
<u>Costs - DSS-MHD</u>			
Increase in drug costs	<u>(\$961,197)</u>	<u>(\$96,169)</u>	<u>(\$96,169)</u>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$961,197)</u></b>	<b><u>(\$96,169)</u></b>	<b><u>(\$96,169)</u></b>
<b>FEDERAL FUNDS</b> (§§195.206 and 338.205)			
<u>Income - DSS-MHD</u>			
Reimbursement for increase in drug expenditures	\$1,659,653	\$166,031	\$166,031
<u>Costs - DSS-MHD</u>			
Increase in drug expenditures	<u>(\$1,659,653)</u>	<u>(\$166,031)</u>	<u>(\$166,031)</u>
<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal allows a physician to prescribe an opioid antagonistic drug and appropriate device to administer the drug to an individual to administer, in good faith, to an individual suffering from an opioid-related drug overdose. A health care professional will not be subject to any criminal or civil liability or any professional disciplinary action for prescribing or dispensing an opioid antagonist and appropriate device, when the health care professional acts in good faith and with reasonable care.

The proposal permits an individual to possess an opioid antagonist. The proposal creates immunity from criminal prosecution, disciplinary actions from a professional licensing board, and civil liability for an individual who, acting in good faith and with reasonable care, administers an opioid antagonist to an individual who he or she believes is suffering an opioid-related drug overdose.

This proposal allows an individual or organization to store and dispense an opioid antagonist without being subject to the licensing and permitting requirements in Chapter 338, RSMo, if he or she does not collect a fee or compensation for dispensing the opioid antagonist, when the person or organization is acting under a standing order issued by a health care professional who is authorized to prescribe an opioid antagonist.

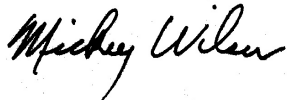
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Mental Health  
Department of Natural Resources

SOURCES OF INFORMATION (continued)

Department of Public Safety -  
    Missouri State Highway Patrol  
Department of Social Services -  
    MO HealthNet Division  
Missouri Department of Conservation  
Office of Administration -  
    General Services Division  
Office of State Courts Administrator  
Boone County Sheriff's Department  
Cole County Sheriff's Office  
Springfield Police Department  
Central County Fire and Rescue



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