

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1971-02  
Bill No.: HCS for HB 1077  
Subject: Physicians; Health Care  
Type: Original  
Date: May 12, 2015

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Bill Summary: This proposal changes the laws regarding pain management clinics.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(Up to \$157,363)	(Up to \$548,828)	(Up to \$549,754)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(Up to \$157,363)</b>	<b>(Up to \$548,828)</b>	<b>(Up to \$549,754)</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 5 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>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<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>
General Revenue	Up to 2	Up to 6	Up to 6
<b>Total Estimated Net Effect on FTE</b>	<b>2</b>	<b>6</b>	<b>6</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

#### Section 197.600

Officials from the **Department of Health and Senior Services (DHSS)** assume there is currently no regulation of pain management clinics, therefore DHSS is unsure of the number of pain management clinics in existence in Missouri. For fiscal note purposes, we are assuming there may be as many as 150 such clinics. In order to administer the program, the following staff will be needed:

One Health and Senior Services Manager (HSSM), at \$64,802 annually, will be responsible for the development and oversight of the program. This will include development and promulgation of rules, hiring and supervision of staff, identification of and outreach to pain management clinics, etc.

One Health Program Representative (HPR) II, at \$34,944 annually, will process documents, perform data entry, track due dates, etc. and assist the manager in implementation of the program.

Four Health Facilities Nursing Consultants (HFNC), at \$53,124 annually, to perform inspections and complaint investigations at the pain management clinics. Each HFNC would be responsible for regulatory activities related to approximately 40 pain management clinics.

It is assumed for fiscal note purposes that the HSSM and HPR would be employed for ten months of FY 2016 and that the four HFNCs would be hired on July 1, 2017. The HFNCs are assumed to be telecommuters. Total costs would be \$157,363 for FY16, \$548,828 for FY17, and \$549,754 for FY18.

An existing data system will be used to track the pain management clinics and no ITSD development will be required.

For fiscal note purposes all costs are assumed to be paid by General Revenue and there is no fee required through rule promulgation.

Officials from the **Department of Social Services**, the **Department of Mental Health**, the **Department of Insurance, Financial Institutions and Professional Registration**, the **Missouri Consolidated Health Care Plan**, the **Department of Public Safety - Missouri Highway Patrol**, and the **Missouri Department of Conservation** each assume the current proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
<b>GENERAL REVENUE FUND</b>			
<u>Costs - DHSS (Section 197.600)</u>			
Salaries	(Up to \$83,122)	(Up to \$315,364)	(Up to \$318,518)
Fringe Benefits	(Up to \$43,228)	(Up to \$164,005)	(Up to \$165,645)
Equipment & Expenses	(Up to \$31,013)	(Up to \$69,459)	(Up to \$65,591)
<u>Total Costs - DHSS</u>	<u>(Up to \$157,363)</u>	<u>(Up to \$548,828)</u>	<u>(Up to \$549,754)</u>
FTE Change - DHSS	2 FTE	6 FTE	6 FTE
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(Up to \$157,363)</u></b>	<b><u>(Up to \$548,828)</u></b>	<b><u>(Up to \$549,754)</u></b>
Estimated Net FTE Change on the General Revenue Fund	Up to 2 FTE	Up to 6 FTE	Up to 6 FTE
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

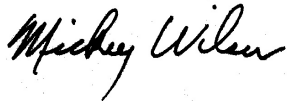
FISCAL DESCRIPTION

The proposed legislation would define “pain management clinic”, require any such clinic not affiliated with a hospital to be owned by a licensed physician, and require any such clinic to be certified by the Department of Health and Human Services.

This legislation is not federally mandated and would not duplicate any other program. The legislation would require an additional 460 sq. ft. for 2 FTE located in Jefferson City.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration  
Department of Social Services  
Department of Mental Health  
Department of Health and Senior Services  
Missouri Department of Conservation  
Department of Public Safety - Missouri Highway Patrol  
Missouri Consolidated Health Care Plan



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