

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0563-04
Bill No.: HCS for HB 100
Subject: Medical Procedures and Personnel; Health Care; Professional Registration and Licensing
Type: Original
Date: April 21, 2017

Bill Summary: This proposal enacts the Recognition of EMS Personnel Licensure Interstate Compact (REPLICA).

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2022)
General Revenue	\$0 or (Could exceed \$114,445)	\$0 or (Could exceed \$122,778)	\$0 or (Could exceed \$180,034)	\$0 or (Could exceed \$173,434)
Total Estimated Net Effect on General Revenue*	\$0 or (Could exceed \$114,445)	\$0 or (Could exceed \$122,778)	\$0 or (Could exceed \$180,034)	\$0 or (Could exceed \$173,434)

* Passage of laws by 10 states is required for the compact to go into effect.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2022)
Criminal Records	\$0 or \$32,346	\$0 or \$32,346	\$0 or \$32,346	\$0 or \$32,346
Total Estimated Net Effect on Other State Funds	\$0 or \$32,346	\$0 or \$32,346	\$0 or \$32,346	\$0 or \$32,346

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 10 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2022)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2022)
General Revenue	0	0	0 or 1	0 or 1
Total Estimated Net Effect on FTE	0	0	0 or 1	0 or 1

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

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2022)
Local Government	\$0	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DHSS)** provided the following assumptions:

Section 190.142.1 (2) - Sharing results of background checks

(2) For applications submitted after the recognition of EMS personnel licensure interstate compact under sections 334.1500 to 334.1539 takes effect, an applicant for initial licensure as an emergency medical technician in this state shall submit to a background check by the Missouri state highway patrol or the Federal Bureau of Investigation through a process approved by the department of health and senior services. Such processes may include the use of vendors or systems administered by the Missouri state highway patrol. The department of health and senior services shall not issue a license until the results of such criminal background check are received by the department from the Missouri state highway patrol or the Federal Bureau of Investigation. However, the department may issue a temporary license as provided under section 190.143. Any fees due for a criminal background check shall be paid by the applicant.

Section 190.142. 1. (2) explicitly addresses "initial licensure". However, the subparagraph also states that, "Any fees due for a criminal background check shall be paid by the applicant." Therefore, DHSS interprets the language to require applicants for Emergency Medical Services (EMS) licenses to pay for the cost of background checks for both initial licensure and all subsequent license renewals.

DHSS would no longer need to pay for background screenings for all applicants. Currently, the Bureau of Emergency Medical Services (EMS) conducts criminal records checks for all applicants through the Missouri State Highway Patrol (MSHP) at a cost of \$13.00 each.

Based on 3,594 criminal record checks in the last twelve months, there would be a positive impact to general revenue in the amount of \$46,722.

Section 334.1503.3(4) and (5) - Criminal background check requirements

(4) No later than five years after activation of the compact, requires a criminal background check of all applicants for initial licensure, including the use of the results of fingerprint or other biometric data checks compliant with the requirements of the Federal Bureau of Investigation with the exception of federal employees who have suitability determination in accordance with 731 CFR 202 and submit documentation of such as promulgated in the rules of the commission; and

(5) Complies with the rules of the commission.

ASSUMPTION (continued)

Pursuant to Chapter 190.142.1 and the proposed Section 190.142.2, EMS will be required to acquire background checks for all applicants. DHSS assumes that the interstate compact will act as a multi-state license, which will increase the number of background checks and licenses processed within EMS. Additional EMS personnel would be required in order to accommodate the processing of the additional applications as well as entering data in to the coordinated database. One (1) Senior Office Support Assistants (SOSA, \$26,340 annually) would be hired to meet the provisions of this requirement. For fiscal note purposes, DHSS assumes this position would be hired in the final year of implementation, which could be as many as five years after the compact becomes effective.

Section 334.1518.6 - Questions of conduct investigations

6. A home state's EMS authority shall investigate and take appropriate action with respect to reported conduct in a remote state as it would if such conduct had occurred within the home state. In such cases, the home state's law shall control in determining the appropriate adverse action.

This provision of HB 100 expands the EMS' investigative authority to include investigations conducted out-of-state. While the variables of what activity constitutes "reported conduct" and what level of responsibility the investigative authorities in the remote state will have are unclear, any activity above what DHSS currently performs will require additional staff. In order to perform these additional duties, DHSS would need to request additional FTE in the budget process.

Section 334.1521(1) - EMS Authority

334.1521. A member state's EMS authority, in addition to any other powers granted under state law, is authorized under this compact to:

(1) Issue subpoenas for both hearings and investigations that require the attendance and testimony of witnesses and the production of evidence. Subpoenas issued by a member state's EMS authority for the attendance and testimony of witnesses or the production of evidence from another member state shall be enforced in the remote state by any court of competent jurisdiction according to that court's practice and procedure in considering subpoenas issued in its own proceedings. The issuing state EMS authority shall pay any witness fees, travel expenses, mileage, and other fees required by the service statutes of the state where the witnesses or evidence is located; and

The number of subpoenas issued under this section is unknown. It is estimated that the cost of witnesses and their travel expenses associated with this provision of HB 100 will total \$50,000 annually.

ASSUMPTION (continued)

Section 334.1524.5(3) - Annual assessments and fees

(3) The commission may levy on and collect an annual assessment from each member state or impose fees on other parties to cover the cost of the operations and activities of the commission and its staff, which shall be in a total amount sufficient to cover its annual budget as approved each year for which revenue is not provided by other sources. The aggregate annual assessment amount shall be allocated based upon a formula to be determined by the commission, which shall promulgate a rule binding upon all member states.

Based on information from the commission staff, it is estimated that the commission will levy an annual assessment of \$19,500 on each member state. This amount will be collected from Missouri on an annual basis.

Section 334.1527.1 - Database and reporting system

334.1527. 1. The commission shall provide for the development and maintenance of a coordinated database and reporting system containing licensure, adverse action, and significant investigatory information on all licensed individuals in member states.

It is assumed that the commission would be responsible for the cost for development and maintenance of the system and any costs to Missouri will be paid as part of the assessment levied under Section 334.1524.5(3).

Oversight assumes the DHSS would not need additional rental space for one (1) new FTE for this single proposal. However, Oversight notes, depending on the number of proposals passed during the legislative session, that cumulatively, the DHSS may need additional rental space or capital improvements as determined by the Office of Administration, Facilities Management, Design and Construction.

Oversight notes that eight (8) states have passed laws to implement the EMS Personnel Licensure Interstate Compact. Passage of laws by ten (10) states is needed for the Compact to go into effect. Oversight assumes it is possible for this compact to become effective for fiscal year 2018, although it is not assured. Costs presented as FY 20 expenditures may occur as early as FY 20 if the compact is passed by 2 additional states this year and DHSS implements the background checks immediately or as late as FY 22 if the provisions of 334.1503.3(4) are not immediately implemented. Oversight will present costs as \$0 or the amount projected by DHSS as it is uncertain when the provisions of the proposal may be implemented.

ASSUMPTION (continued)

Officials from the **Department of Public Safety (DPS), Missouri State Highway Patrol (MHP)** provide the following assumptions:

§334.1503.2(4) - Background checks

During 2016, the Department of Health and Senior Services conducted approximately 3,594 name-based criminal record checks for Emergency Medical Technician (EMT) licensing. This number accurately reflects the number of emergency medical personnel that would be required to obtain a state and federal fingerprint-based criminal record check with the passage of this legislation. This requirement would take effect no later than five (5) years after approval of the Emergency Medical Services Compact. For purposes of this fiscal note, the MHP assumes this legislation will take effect August 28, 2017.

The charge for a state name check is \$13. The funds currently generated as a result of the name based checks is \$46,722 (3,594 X \$13). This proposed legislation would require emergency medical personnel to obtain state and federal background checks each year. The charge for each background check processed is \$40.30. Twenty dollars for the state fingerprint check, \$12 for the federal check and an \$8.30 charge for the electronic fingerprint option used through a third-party vendor ($\$20 + \$12 + \$8.30 = \40.30). Of this amount, the state retains the \$20 fee and \$2 of the federal charge for a pass thru fee (total \$22). The \$8.30 charge is paid directly to the vendor at the time of application.

The difference in the amount the state receives with the passing of this legislation would be \$9 ($\$22 - \13) per background check. Therefore, the total increase in revenue deposited into the Criminal Records Fund is \$32,346 (3,594 applicants X \$9 per applicant).

Oversight will present income to the Criminal Records Fund as \$0 or the amount projected by the MHP as it is uncertain when the provisions of the proposal may be implemented.

Officials from the **Office of Attorney General (AGO)** did not respond to **Oversight's** request for a statement of fiscal impact. However, in response to an earlier version of this proposal, the AGO stated section 334.1524.6(2) specifies that the commission shall defend any member, officer, executive director, employee or representative of the commission in any civil action. Section 334.1533 specifies that all branches of state government in each state shall enforce the compact. Neither provision specifies whether the commission has its own counsel. If the proposal does not implicate the resources of the AGO, any potential costs arising from this proposal can be absorbed with existing resources. Otherwise, the potential costs of this proposal are unknown, but could exceed \$100,000.

ASSUMPTION (continued)

Oversight notes the final model compact language was made available in September, 2014. Section 334.1536 of the proposal provides that the compact shall come into effect on the date on which the compact statute is enacted into law in the tenth member state. It is assumed that it is possible for the 10th state to adopt the language during the current legislative session as a total of eight states have passed the compact as of 2016. Therefore, Oversight will indicate potential AGO costs as \$0 or "Could exceed \$100,000" since the provisions of the proposal do not indicate whether the commission will have its own legal counsel or whether it will rely on the Attorneys General of member states.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** did not respond to **Oversight's** request for a statement of fiscal impact. However, in response to a previous version of this proposal, the SOS stated many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Office of the Governor**, the **Office of Administration Divisions of: General Services, Information Technology Services and Purchasing and Materials Management** and the **Office of State Courts Administrator** each assume the proposal would not fiscally impact their respective agencies.

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.

<u>FISCAL IMPACT -</u> <u>State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020	Fully Implemented (FY 2022)
GENERAL REVENUE FUND				
<u>Savings - DHSS</u> (\$190.142)	\$0 or...	\$0 or...	\$0 or...	\$0 or...
Reduction in criminal background costs	\$46,722	\$46,722	\$46,722	\$46,722
<u>Costs - DHSS</u> (§§334.1503 - 334.1527)	\$0 or...	\$0 or...	\$0 or...	\$0 or...
Personal service	\$0	\$0	(\$26,869)	(\$27,409)
Fringe benefits	\$0	\$0	(\$18,310)	(\$18,678)
Equipment & expense	(\$41,667)	(\$50,000)	(\$62,077)	(\$54,569)
Annual assessment	(\$19,500)	(\$19,500)	(\$19,500)	(\$19,500)
<u>Total Costs</u>	<u>\$0 or (\$61,167)</u>	<u>\$0 or (\$69,500)</u>	<u>\$0 or (\$126,756)</u>	<u>\$0 or (\$120,156)</u>
FTE Change	0 FTE	0 FTE	0 or 1 FTE	0 or 1 FTE
<u>Costs - AGO</u> (§§334.1524 and 334.1533)	\$0 or...	\$0 or...	\$0 or...	\$0 or...
Legal counsel costs for interstate compact	(<u>Could exceed</u> \$100,000)	(<u>Could exceed</u> \$100,000)	(<u>Could exceed</u> \$100,000)	(<u>Could exceed</u> \$100,000)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>\$0 or (Could</u> <u>exceed</u> <u>\$114,445)</u>	<u>\$0 or (Could</u> <u>exceed</u> <u>\$122,778)</u>	<u>\$0 or (Could</u> <u>exceed</u> <u>\$180,034)</u>	<u>\$0 or (Could</u> <u>exceed</u> <u>\$173,434)</u>
Estimated Net FTE Change on the General Revenue Fund	0 FTE	0 FTE	0 or 1 FTE	0 or 1 FTE

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020	Fully Implemented (FY 2022)
CRIMINAL RECORDS FUND				
<u>Income</u> - DPS - MHP	\$0 or...	\$0 or...	\$0 or...	\$0 or...
Increase in background check fees	<u>\$32,346</u>	<u>\$32,346</u>	<u>\$32,346</u>	<u>\$32,346</u>
ESTIMATED NET EFFECT ON THE CRIMINAL RECORDS FUND	<u>\$0 or \$32,346</u>	<u>\$0 or \$32,346</u>	<u>\$0 or \$32,346</u>	<u>\$0 or \$32,346</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020	Fully Implemented (FY 2022)
	<u>\$0</u>	<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.

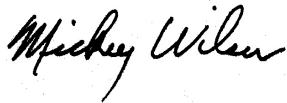
FISCAL DESCRIPTION

This bill authorizes Missouri to become a member state of the Interstate Compact for EMS Personnel Licensure as prepared by the National Association of State EMS Officials and to adopt the provisions of authorization as specified in the bill. The purpose of the compact is to facilitate the exchange of information between members states regarding EMS personnel licensure, adverse actions, and significant investigatory information.

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

Office of Attorney General
Department of Health and Senior Services -
 Division of Regulation and Licensure
Department of Public Safety -
 Division of Fire Safety
 Missouri State Highway Patrol
Office of the Governor
Joint Committee on Administrative Rules
Office of Administration -
 General Services Division
 Information Technology Services Division
 Division of Purchasing and Materials Management
Office of State Courts Administrator
Office of Secretary of State



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April 21, 2017

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