

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1454H.01I
Bill No.: HB 721
Subject: Health Care; Hospitals
Type: Original
Date: February 10, 2021

Bill Summary: This proposal specifies that the Department of Health and Senior Services shall not deny trauma center status to a hospital based on its distance from another trauma center.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue	(\$168,234)	(\$198,465)	(\$200,539)
Total Estimated Net Effect on General Revenue	(\$168,234)	(\$198,465)	(\$200,539)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue – Department of Health and Senior Services	2 FTE	2 FTE	2 FTE
Total Estimated Net Effect on FTE	2 FTE	2 FTE	2 FTE

FORMCHECKBOX Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§190.241 - Trauma center designations

Officials from the **Department of Health and Senior Services (DHSS)** state the proposed legislation prohibits the DHSS, Division of Regulation and Licensure (DRL), Section for Health Standards and Licensure (HSL) from denying a qualified hospital designation of a level I, II, or III trauma center based solely on the distance or mileage between trauma centers.

Should this legislation go into effect, HSL would need to hire two Registered Nurses (annual salary of \$56,539) to process the approximately 20 additional applications and conduct the required inspections. The Registered Nurses will be telecommuters and are expected to travel extensively so it is assumed travel costs will be \$10,000 annually for each.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the costs provided by DHSS for fiscal note purposes.

Officials from the **Hermann Area Hospital District** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other hospitals were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
GENERAL REVENUE FUND			
<u>Costs - DHSS</u> (\$190,241)			
Personal service	(\$94,232)	(\$114,209)	(\$115,351)
Fringe benefits	(\$51,703)	(\$62,425)	(\$62,811)
Expense and equipment	(\$22,299)	(\$21,831)	(\$22,377)
<u>Total Costs - DHSS</u>	<u>(\$168,234)</u>	<u>(\$198,465)</u>	<u>(\$200,539)</u>
FTE Change - DHSS	2 FTE	2 FTE	2 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$168,234)</u>	<u>(\$198,465)</u>	<u>(\$200,539)</u>
Estimated Net FTE Change on the General Revenue Fund	2 FTE	2 FTE	2 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<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.

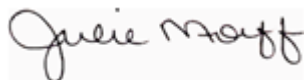
FISCAL DESCRIPTION

The bill specifies that the Department of Health and Senior Services shall not deny trauma center status based on its distance from another trauma center. (§190.241)

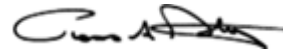
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services
Hermann Area Hospital District



Julie Morff
Director
February 10, 2021



Ross Strobe
Assistant Director
February 10, 2021