

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4384-01  
Bill No.: SB 897  
Subject: Licenses - Professional; Health Care Professionals; Boards, Commissions, Committees, Councils  
Type: Original  
Date: March 7, 2006

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Medical Imaging and Radiation Therapy Board of Examiners	\$0	\$707,421	(\$276,130)
PR Fees	(\$241,271)	\$0	\$0
Other PR	\$0	\$24,710	\$67,699
<b>Total Estimated Net Effect on Other State Funds</b>	<b>(\$241,271)</b>	<b>\$732,131</b>	<b>(\$208,431)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 9 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</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 LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Office of State Courts Administrator, Office of State Treasurer, and Office of the Governor** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Office of Administration - Administrative Hearing Commission** assume the proposal will not significantly alter its caseload. However, if other similar proposals also pass, there are more cases or more complex cases, there could be a fiscal impact.

Officials from the **Department of Corrections (DOC)** state the DOC cannot predict the number of new commitments which may result from the creation of the offenses(s) outlined in this proposal. An increase in commitment depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost through supervision provided by the Board of Probation and Parole (FY 03 average of \$3.15 per offender, per day or an annual cost of \$1,150 per offender per year).

Supervision by the DOC through probation or incarceration would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

ASSUMPTION (continued)

Officials from the **Office of Prosecution Services** assume the proposal will not have a significant direct fiscal impact on county prosecutors.

Officials from the **Office of Secretary of State (SOS)** state the fiscal impact for this proposal to the SOS for administrative rules is less than \$1,500. The SOS does not expect additional funding would be required to meet these costs. However, the SOS 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 its 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.

Officials from the **Department of Economic Development - Division of Professional Registration (DED-PR)** provide the following assumptions related to this proposal:

Based on an estimate of Occupational Projections by the DED, Missouri Works, Labor Market Information, it is estimated there are approximately 7,712 individuals in the state of Missouri that will be required to be licensed. The DED-PR assumes a fee of \$125 will initially be paid for all categories of licensure with a \$115 biennial license renewal fee. The DED-PR estimates a 3% growth rate and assumes licensure begins in FY 08, resulting in revenue to the Medical Imaging and Radiation Therapy Licensure Fund of \$964,000 in FY 08. Revenues for FY 09 are estimated to be \$28,875.

The DED-PR assumes all fees collected and all expenses would be deposited into and paid out of the Medical Imaging and Radiation Therapy Licensure Fund. The DED-PR notes expenses occurring prior to an appropriation (FY 07) would be borrowed from another fund within Professional Registration, pursuant to section 620.106, RSMo, and paid back in FY 10.

The DED-PR assumes implementation of the proposal will require hiring an additional 3.0 FTE in FY 07, as follows: Principal Assistant (1.0 FTE at \$59,532) to serve as the senior executive officer of the agency; and Administrative Office Support Assistant (1.0 FTE at \$28,260) to provide administrative support to the executive director, and assist with board meetings as well as complaints and discipline; and a Licensure Technician II (1.0 FTE at \$26,292) to provide technical support, process applications for licensure and respond to any inquiries related to the licensure law or rules & regulation. The DED-PR assumes rental space will be needed for these additional FTE at an annual cost of approximately \$8,394 beginning in FY 08.

The DED-PR assumes the eleven (11) member board would meet four (4) times per year for two (2) days per meeting, in Jefferson City. The DED-PR notes the Principal Assistant, one clerical

ASSUMPTION (continued)

staff member and a representative from the division's legal counsel would also attend the meetings. The DED-PR assumes there would be four (4) meetings in FY 07 to promulgate rules and regulations. It is estimated that each board member will receive reimbursement for expenses for each day conducting board business. The proposal does not allow members to receive any other compensation.

The DED-PR assumes 354 complaints would be received each year and would require, on average, five hours each to complete. The DED-PR estimates 30% of these complaints (106) will require investigations and 30% of the investigated complaints would require field investigations. The DED-PR estimates that 50% of these field investigation (16), each needing 30 hours of field work, would require one night's lodging. Travel expenses for the investigation are estimated at \$2,756 annually. The DED-PR assumes complaints and investigations would not start until FY 08.

The DED-PR assumes there will be a cost associated with needing the services of the Attorney General's Office (AGO) and the Administrative Hearing Commission (AHC). The AGO will provide assistance with board meetings, opinions, the promulgation of rules and regulations, interpretation of legislation, and litigation. AGO and AHC costs are based on the costs incurred by boards of similar size. AGO costs are estimated to be \$20,276 annually beginning in FY 07 and AHC costs are estimated to be \$3,420 annually beginning in FY 08.

The DED-PR assumes printing and postage costs will be incurred in the first year for statute and rule mailings and for startup printing of rules, applications, letterhead and envelopes. The DED-PR estimates printing and postage costs at \$6.25 per licensee in the first year, for a total cost of \$48,200. Subsequent years' printing and postage costs are expected to be \$20,667 annually, based on a similarly-sized board.

The DED-PR assumes licensed medical imaging and radiation therapists will represent 0.50% of DED-PR's overhead. As such, the board will be required to reimburse the Division and the Department of Economic Development for its share of administrative overhead costs, \$58,794 per annum. The DED-PR assumes these costs will begin in FY 08.

**Oversight** has, for fiscal note purposes only, changed the starting salary for the Licensure Technician II and the Account Clerk II to correspond to the first step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

ASSUMPTION (continued)

**Oversight** notes that the inclusion of rent expense and administrative overhead costs in the total costs to be incurred by the Medical Imaging and Radiation Therapy Licensure Board will result in a lower allocation of these expenses to other licensing boards. As a result, **Oversight** has shown a savings to Other Professional Registration (PR) Funds in an amount equal to the expense to the Medical Imaging and Radiation Therapy Licensure Board.

Officials from the **Office of Attorney General (AGO)** did not respond to our request for a statement of fiscal impact. However, in response to similar legislation from the current session (HB 1090), the AGO stated the proposal creates a new licensing board within the Division of Professional Registration. The Board has the power to license, accredit, discipline and hear appeals. The AGO assumed it would need 0.5 Assistant Attorney General I to assist the Board in the rule-making process, licensing and investigative matters, including the issuance of subpoenas. The AGO estimated costs of \$28,799 for FY 07; \$30,621 for FY 08; and \$31,415 for FY 09.

**Oversight** assumes the AGO will absorb the duties associated with the Medical Imaging and Radiation Therapy Licensure Board within current staffing levels and will not require the equipment associated with the 0.5 FTE position. In addition, **Oversight** assumes other costs incurred by the AGO's office will be reimbursed by the Medical Imaging and Radiation Therapy Board of Examiners Fund.

Officials from the **Office of State Public Defender (SPD)** did not respond to our request for a statement of fiscal impact. However, in response to similar legislation from the current session (HB 1090), the SPD assumed the proposal would have no fiscal impact on their organization.

**This proposal will result in an increase in total state revenue.**

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
<b>MEDICAL IMAGING AND RADIATION THERAPY BOARD OF EXAMINERS FUND</b>			
<u>Transfer-In - DED-PR</u>			
Transfer from PR Fees Fund	\$241,271	\$0	\$0
<u>Income - DED-PR</u>			
Licensure Fees/Renewals	\$0	\$964,000	\$28,875
<u>Costs - DED-PR</u>			
Personal Service (3.0 FTE)	(\$90,569)	(\$112,207)	(\$115,012)
Fringe Benefits	(\$39,905)	(\$49,438)	(\$50,674)
Expense and Equipment	(\$89,981)	(\$55,174)	(\$56,829)
AGO, AHC, and other allocated costs	<u>(\$20,816)</u>	<u>(\$39,760)</u>	<u>(\$82,490)</u>
Total <u>Costs - DED-PR</u>	<u>(\$241,271)</u>	<u>(\$256,579)</u>	<u>(\$305,005)</u>
<b>ESTIMATED NET EFFECT ON MEDICAL IMAGING AND RADIATION THERAPY BOARD OF EXAMINERS FUND</b>			
	<b><u>\$0</u></b>	<b><u>\$707,421</u></b>	<b><u>(\$276,130)</u></b>
<b>PR FEES FUND</b>			
<u>Transfer-Out - DED-PR</u>			
Transfer to Medical Imaging and Radiation Therapy Licensing Fund	<u>(\$241,271)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON PR FEES FUND</b>			
	<b><u>(\$241,271)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>OTHER PR FUNDS</b>			
<u>Savings - Other PR Funds</u>			
Reduction in rent and overhead costs allocated to other licensing boards	<u>\$0</u>	<u>\$24,710</u>	<u>\$67,699</u>
<b>ESTIMATED NET EFFECT ON OTHER PR FUNDS</b>			
	<b><u>\$0</u></b>	<b><u>\$24,710</u></b>	<b><u>\$67,699</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposal may fiscally impact small businesses that employ radiation and medical imaging therapists if they pay licensing fees.

DESCRIPTION

This proposal creates the " Medical Imaging and Radiation Therapy Quality Assurance Act". Any person administering medical imaging and radiation therapy procedures is required to be licensed by the newly created Medical Imaging and Radiation Therapy Board of Examiners. Such Board shall be located with the division of professional registration. The proposal exempts certain health care professionals, such as physicians, dentists, chiropractors, podiatrists, registered nurses and certain qualified persons currently practicing medical imaging and radiation therapy from the licensure requirements.

Certain education and experience requirements are enacted for applicants to be licensed as radiographers, radiation therapists, nuclear medicine technologists and dental radiographers. The proposal contains a grandfather provision that authorizes persons who have been practicing in three of the past five years to waive the required examination if such person demonstrates competency to the board and either passes a board-approved examination covering fundamental principles of radiographic imaging and safety or undergoes a review of medical facility training. If such persons cannot pass the board-approved examination within three attempts, then the person must submit to an on-site competency evaluation conducted by the board.

Medical facilities, dental facilities, educational institutions and other public and private institutions wishing to offer programs in medical imaging and radiation therapy must meet certain requirements of the Board. The Board is granted additional powers to adopt rules, give examinations, issue temporary licenses, require continuing education as part of the renewal of a license renewal, and to discipline licensees. The proposal both requires the board in some instances and gives the board discretion in other instances to waive the examination, depending on the certification an applicant may possess.

The Board shall investigate complaints, file charges, hold hearings, render judgements and hear appeals when warranted to seek discipline of a licensee. Further, the Board is granted subpoena power for the appearance of witnesses.

DESCRIPTION (continued)

The proposal creates the "Medical Imaging and Radiation Therapy Board of Examiners Fund" which shall receive all fees collected by the board. The proposal provides that none of the licensing requirements will take effect until such time as the board receives a specific appropriation and initial rules have been promulgated.

Any violation of this proposal shall be a Class A misdemeanor.

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

SOURCES OF INFORMATION

Office of the Governor  
Office of Administration -  
    Administrative Hearing Commission  
Office of State Courts Administrator  
Department of Economic Development -  
    Division of Professional Registration  
Department of Corrections  
Office of Prosecution Services  
Office of State Treasurer  
Office of Secretary of State

**NOT RESPONDING: Office of Attorney General and Office of State Public Defender**



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