

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0418-06
Bill No.: Perfected SS for SCS for SB 46 and 47
Subject: Children and Minors; Dentists; Medicaid; Health Care; Health Department;
Health Care Professionals; Medical Procedures and Personnel; Boards,
Commissions, Committees, Councils
Type: Original
Date: February 13, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(Could exceed \$391,000)	(Could exceed \$393,400)	(Could exceed \$395,872)
Dental Board	(\$10,748)	(\$11,052)	(\$11,365)
Total Estimated Net Effect on <u>All</u> State Funds	(Could exceed \$401,748)	(Could exceed \$404,452)	(Could exceed \$407,237)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Federal	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds*	\$0	\$0	\$0

*Revenues and expenditures greater than \$489,000 annually net to \$0.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Conservation**, the **Department of Transportation**, the **Department of Insurance**, and the **Department of Public Safety - Missouri State Highway Patrol** assume this proposal would not fiscally impact their agencies.

Missouri Consolidated Health Care Plan (HCP) officials state this proposal would allow a child's treating physician to administer fluoride treatments, provide literature on routine dental care for children, and would establish an Advisory Commission for Dental Hygienists. HCP states the routine dental literature and advisory commission would fall under the Department of Health's duties. Therefore, the administration of dental fluoride would affect health providers. HCP states that since the proposal does not mandate the care, it is difficult to estimate how many physicians would actually perform this service and include the cost in the contract negotiations with the plans. However, HCP feels any cost associated with the fluoride treatments would be minimal.

Officials from the **Department of Social Services (DOS)** state the proposal would allow physicians to administer fluoride treatments for children they are treating for immunizations. DOS states the proposal would also allow dental hygienists to provide fluoride treatments, teeth cleaning, and sealants without a dentist's supervision. DOS states this would allow greater access to these dental services. DOS is unable to estimate the increase in billed units that would result from these two provisions.

In addition section 332.311.2 would require Medicaid to reimburse no less than seventy-five percent of usual and customary cost for fluoride treatments, teeth cleaning, and sealants provided to children. For example, DOS estimates the cost to increase the reimbursements to seventy-five percent of current services to be \$873,186. DOS estimates that one Medicaid Clerk (\$27,121) would be necessary to process the enrollments of licensed dental hygienists as Medicaid providers.

DOS estimates the total fiscal impact to be greater than \$800,000.

Department of Health (DOH) officials state they assume that they would contract for professional services to administer this program. DOH states that the costs would include administrative services, laboratory services, and office expenses. DOH estimates costs of \$80,000 annually.

Officials from the **Office of Secretary of State (SOS)** state the proposal would create a donated dental services program for certain eligible persons. SOS states that based on experience with other divisions, the rules, regulations, and forms issued by the Department of Health could

ASSUMPTION (continued)

require as many as approximately twenty-two pages in the “Code of State Regulations”. SOS stated that for any given rule roughly half again as many pages would be published in the “Missouri Register” as in the “Code” because cost statements, fiscal notes, and the like are not repeated in the “Code”. SOS states these costs were estimated. SOS estimates the cost of a page in the “Missouri Register” to be \$23. SOS estimates the cost of a page in the “Code” to be \$27. SOS states the actual costs could be more or less than the numbers given. SOS states the impact of the proposal on future years was unknown and depended upon the frequency and length of rules, filed, amended, rescinded, or withdrawn. SOS states the proposal alone would not require additional personnel but the cumulative effect of other proposals that require rulemaking activity may, in the aggregate, necessitate additional staff.

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. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Economic Development (DED)-Professional Registration (DPR)** assume the proposed legislation would result in increased costs related to the establishment of the Advisory Commission for Dental Hygienists. The DPR assumes annual meeting expenses of \$7,096 would be incurred for the Advisory Commission to meet quarterly, for two days each. The DPR assumes a .5 Licensure Technician II (.5 FTE at \$24,492 per year) would be needed to provide technical support directly to the Principal Assistant. This individual would be responsible for coordinating advisory board meetings, including, but not limited to, agenda preparation, minutes, etc. Office and communication expenses and equipment are based on estimated existing costs within the Division and follow OA guidelines. The DPR also assumes the Office of the Attorney General would provide approximately 60 hours of assistance per year with rules, opinions and meetings at a cost of \$60.87 per hour, resulting in annual costs of \$3,652. NOTE: The DPR assumes a license fee increase for dental hygienists may be necessary to cover the costs associated with this proposal.

Oversight assumes workload associated with the licensing of dental hygienists is currently occurring. Thus, the proposal should not create additional workload associated with licensees. Any additional workload would be associated with quarterly meetings for the newly created Advisory Commission. Therefore, it is assumed any additional workload associated with quarterly meetings could be absorbed with existing resources. However, if the additional workload should be significant, then the DPR could request additional resources through the normal budget process.

<u>FISCAL IMPACT - State Government</u>	FY 2002	FY 2003	FY 2004
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GENERAL REVENUE FUND

Cost - Department of Social Services

Medical assistance payments - increase reimbursements to 75%*	(\$311,000)	(\$311,000)	(\$311,000)
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Cost - Department of Social Services

Medical assistance payments - expansion of access to dental services	(Unknown)	(Unknown)	(Unknown)
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Cost - Department of Health

Contracted professional services	<u>(\$80,000)</u>	<u>(\$82,400)</u>	<u>(\$84,872)</u>
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**ESTIMATED NET EFFECT ON
GENERAL REVENUE FUND**

<u>(COULD EXCEED \$391,000)</u>	<u>(COULD EXCEED \$393,400)</u>	<u>(COULD EXCEED \$395,872)</u>
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DENTAL BOARD FUND

Cost - Department of Economic
Development - Division of Professional
Registration

Meeting expense	(\$7,096)	(\$7,309)	(\$7,528)
Attorney General expense	<u>(\$3,652)</u>	<u>(\$3,743)</u>	<u>(\$3,837)</u>
Total <u>Costs</u> - DED - DPR	<u>(\$10,748)</u>	<u>(\$11,052)</u>	<u>(\$11,365)</u>

**ESTIMATED NET EFFECT ON
DENTAL BOARD FUND**

<u>(\$10,748)</u>	<u>(\$11,052)</u>	<u>(\$11,365)</u>
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<u>FISCAL IMPACT - State Government</u>	FY 2002	FY 2003	FY 2004
FEDERAL FUNDS			
<u>Income - Department of Social Services</u>			
Medicaid reimbursements*	\$489,000	\$489,000	\$489,000
<u>Cost - Department of Social Services</u>			
Medical assistance payments - increase reimbursements to 75%	(\$489,000)	(\$489,000)	(\$489,000)
<u>Income - Department of Social Services</u>			
Medicaid reimbursements	Unknown	Unknown	Unknown
<u>Cost - Department of Social Services</u>			
Medical assistance payments - expansion of access to dental services	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON FEDERAL FUNDS*	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

***Total income and expenditures expected to exceed \$489,000 annually, with a net effect of zero.**

<u>FISCAL IMPACT - Local Government</u>	FY 2002	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small dental and doctors offices would expect to be fiscally impacted to the extent they would incur additional revenue and costs as a result of the requirements of this proposal.

DESCRIPTION

This proposal would allow additional persons to provide certain dental treatments to children, establishes a dental hygienist advisory commission, and would provide for donated dental services. Section 167.181 currently requires children to be immunized. This proposal would allow a physician to administer the appropriate fluoride treatment to a child during an immunization visit. Section 192.070 would require the Bureau of Child Hygiene to issue educational literature. This proposal would require the inclusion of the importance of routine dental care for children in the materials. Section 332.086 would establish a five member

DESCRIPTION(continued)

Advisory Commission for Dental Hygienists to make recommendations to the Missouri Dental Board. It would include the dental hygienist currently serving on the Dental Board. All members would be appointed by April 1, 2002. Section 332.311 currently prohibits dental hygienists from practicing without the supervision of a dentist. This proposal would create an exception by allowing a dental hygienist practicing in a public health setting to provide fluoride treatments, teeth cleaning, and sealants to children who are eligible for Medicaid. These procedures may be done without the supervision of a dentist. Medicaid would reimburse all dentists, dental hygienists and pediatricians who provide the above services at seventy-five percent of the usual and customary cost, which would be determined by the Division of Medical Services. Public health settings would be defined jointly by the Department of Health and the Missouri Dental Board. This provision will expire on August 28, 2006.

Section 332.324 allows the establishment of a donated dental services program for certain eligible persons. The Department of Health may contract with the Missouri Dental Board or other organizations to provide certain free dental services to eligible needy, disabled, elderly, and medically-compromised individuals. The administering organization would submit an annual report to the Department and the Department must establish eligibility criteria.

This proposal has an emergency clause.

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 Conservation
Department of Transportation
Department of Insurance
Department of Public Safety
Missouri State Highway Patrol
Missouri Consolidated Health Care Plan
Department of Economic Development
Division of Professional Registration
Department of Health
Department of Social Services
Office of Secretary of State



Jeanne Jarrett, CPA
Director

February 13, 2001