

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7934**

**BILL NUMBER: SB 428**

**DATE PREPARED: Mar 29, 2001**

**BILL AMENDED: Mar 29, 2001**

**SUBJECT:** Health Professions Licenses.

**FISCAL ANALYST:** Chris Baker

**PHONE NUMBER:** 232-9851

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) The bill provides standardized requirements for health professions concerning: (1) attesting compliance with continuing education requirements; (2) auditing compliance with continuing education requirements; and (3) reinstating a health professional's lapsed license, certificate, or registration.

**Effective Date:** July 1, 2001.

**Explanation of State Expenditures:** (Revised) *Fee Streamlining:* The Health Professions Bureau indicates that the streamlining of fees may improve the efficiency of the Bureau's staff to process lapsed licenses, certificates, or registrations. The Bureau does not anticipate any new expenses to be required to implement fee streamlining.

*Continuing Education:* If the Medical Licensing Board and the State Board of Nursing meet additionally beyond the scheduled number of meetings, in order to adopt rules for reporting of continuing education on license renewal forms, then expenditures would increase for these boards. Medical Licensing Board members are currently allowed a \$50 per diem with travel reimbursement at \$0.28 per mile. Members of the Board of Nursing who are not state employees, are entitled a per diem, travel, and other incurred expenses connected to a member's duties. State employees on the Nursing Board receive travel reimbursement. The Medical Licensing Board is scheduled to meet eleven times in CY 2001. The Nursing Board is scheduled to meet fourteen times in CY 2001. Two of these meetings are for administrative law judge hearings.

*Random Audit:* This bill allows the Health Professions Board to randomly audit between 1% and 10% of the practitioners who report continuing education hours on the license renewal form. To implement an audit, the Health Professions Bureau indicates that it would need to do the following: create a random audit list, notify the selected practitioners by certified mail, review the verification of completion, and send follow-up correspondence to those who are either in or out of compliance. The added cost of postage (the cost of

certified mail is \$2.97) and stationery would depend on the size of the audit sample.

The bill could increase expenditures for the Health Professions Bureau. The increased expenditure is unknown and dependent on how the agency notifies license holders of the requirements of the bill. As of August 2000, the HPB employed 43 full-time staff members. The HPB has requested six additional positions for the FY 2002-2003 Budget. The requested positions include four Clerical Assistant 3. The Bureau has indicated that as of January 2001, they have no vacancies. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

**Explanation of State Revenues:** (Revised) *Fee Streamlining:* The Bureau indicates that the provisions of fee streamlining should be revenue neutral.

*Continuing Education:* The provisions of this bill pertaining to the continuing education reporting could affect revenue collected from license fees of health professionals if the modifications change the number of individuals who qualify for licenses. It is estimated that the overall impact will be minimal. In FY 2000, approximately \$1.7 M in revenue was collected from physicians and nurses for licenses and other fees. License fees collected are deposited in the state General Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Health Professions Bureau, Medical Licensing Board, State Board of Nursing.

**Local Agencies Affected:**

**Information Sources:** Matt Hopper, Health Professions Bureau, (317) 234-1236, Barb McNutt, Health Professions Bureau, (317) 233-4406..