

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS			See Below	566,820
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS			See Below	566,820

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill would place a patient safety fee of \$50 on the initial issuance and renewal of credentials of physicians and osteopathic physicians and a fee of \$20 on physician assistants. The fees would be used to support the activities of a patient safety organization. The fee will be deposited into the Patient Safety Fund which is created in the bill. The operative date is January 1, 2020.

The renewal period for all of the professions is October 1 of even-numbered years. Except for fees for initial issuance, all the revenue would be received in FY 21 and every other year thereafter. The following is the estimated revenue:

Profession	Number of Licenses	Biennial Fee	Revenue
Physician	9,556	\$50	\$477,800
Osteopathic Physician	1,254	\$50	\$62,700
Physician Assistant	1,316	\$20	\$26,320
Total			\$566,820

The amount appropriated would be determined by the Legislature. If it is assumed approximately 90% of the funding would be available for distribution in the first two years, in FY 2021, approximately \$187,500 would be expended. In FY 2022, \$250,000 would be available.

Technical Note: A patient safety organization is not defined in the bill.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 25 AM:	AGENCY/POLT. SUB: Dept. of Health and Human Services (DHHS)	
REVIEWED BY: Elton Larson	DATE: 1 /23/2019	PHONE: (402) 471-4173
COMMENTS: No basis to disagree with estimate of fiscal impact to DHHS.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 25 AM:	AGENCY/POLT. SUB: University of Nebraska (NU)	
REVIEWED BY: Elton Larson	DATE: 1 /23/2019	PHONE: (402) 471-4173
COMMENTS: No basis to disagree with NU estimate of nominal fiscal impact to NU.		

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Mike Michalski

Date Prepared 1-14-19

Phone: (5) 471-6719

	<u>FY 2019-2020</u>		<u>FY 2020-2021</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$0	\$283,410	\$0	\$283,410
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$0	\$283,410	\$0	\$283,410

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 25 would establish a new fee for holders of the following credentials: physician, osteopathic physician, and physician assistant. Physicians and osteopathic physicians would be charged an additional \$50 biennially at initial licensure and renewal. Physician Assistants would be charged an additional \$20 biennially at initial licensure and renewal. Fees collected under LB 25 would be credited to the Patient Safety Cash Fund to “support the activities of a patient safety organization.”

Revenue estimate is based on the initial licensing fees and biennial renewal fees as being equally distributed between each fiscal year, although this number will fluctuate based on application and renewal times.

	Active License Count	Biennial Fee	Biennial Revenue
Physicians	9556	\$ 50.00	\$ 477,800.00
Osteopathic Physicians	1254	\$ 50.00	\$ 62,700.00
Physician Assistants	1316	\$ 20.00	\$ 26,320.00
Total			\$ 566,820.00

The proposed legislation would require the Department of Health and Human Services to modify the State’s online renewal software. This work would be absorbed by existing staff. The estimated labor burden associated with implementing LB 25 is as follows:

A07081 IT Business Systems Analyst	6 hrs @ \$33.83 / hr = \$203.00
G78792 DHHS Program Manager II	2 hrs @ \$29.50 / hr = \$59.00
X01750 Health Licensing Specialist	<u>4 hrs @ \$15.75 / hr = \$63.00</u>
Total Raw Labor	\$325.00
Benefits	\$111.00
Operations	<u>\$142.00</u>
Grand Total	\$579.00

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	NUMBER OF POSITIONS		2019-2020 EXPENDITURES	2020-2021 EXPENDITURES
	19-20	20-21		
POSITION TITLE				

Benefits.....		
Operating.....	\$0	\$0
Travel.....		
Capital Outlay.....		
Aid.....	\$0	\$0
Capital Improvements.....		
TOTAL.....	\$0	\$0

Please complete ALL (5) blanks in the first three lines.

2019

LB⁽¹⁾ 25

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ University of Nebraska

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ January 22, 2019 Phone: ⁽⁵⁾ 402-472-7109

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The Patient Safety Fee fund would be created and add a fee to doctor credentialing. The bill would have a nominal impact on the University.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____