

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 75** SLS 17RS 137
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 23, 2017 8:28 AM	Author: MILLS
Dept./Agy.: LDH	
Subject: HEALTH/HOSPITALS DEPT.	Analyst: Tanesha Morgan

HEALTH/HOSPITALS DEPT. RE SEE FISC NOTE SG EX Page 1 of 2
 Provides relative to the health professional licensing boards created within the Louisiana Department of Health.

The proposed law provides relative to the 25 health professional licensing boards that are statutorily placed within the Louisiana Department of Health (LDH). There are five major components of the bill: (1) each board shall have a consumer member, (2) adjudicatory hearing authority shall be transferred from the boards to the division of administrative law, (3) the public shall have an opportunity to submit complaints to LDH against a board, (4) each board shall sunset concurrently with LDH, and (5) LDH shall thoroughly review the budgets of the boards and review fees collected by the boards.

The proposed law maintains existing provisions and practices in current law, such as the boards' ability to administer exams, promulgate rules, and conduct investigations.

The proposed law provides provisions for the approval of the boards' legal contracts.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The LFO anticipates that there will be some workload increases to LDH as a direct result of this measure, but the appropriate amount of resources needed depends on the time necessary to review and make a determination on public complaints, review and determine eligibility for new board members, review and analyze the budgets of the boards, and review and recommend changes to fees charged by the board.

LDH Office of the Secretary presently has 6 Budget Staff, 30 Legal Staff, and 40 Human Resources Staff to manage a \$14.2B budget. Currently, LDH's budget review of the boards as required under LA R.S. 36:803 is minimal. The proposed law requires LDH to conduct a more thorough budget review of the boards. As a result of this measure, it is assumed that the department will monitor the revenue and expenditures of the budget of the boards on a monthly basis. In addition, the department will provide a five-year fiscal forecast, and a written recommendation to the legislature each year regarding board fees.

NOTE: The bill indicates that the department shall absorb the cost of implementing and performing the responsibilities established in the bill by reallocating existing budget and staff resources. Depending on the extent of the budget review, screening of new board members, and investigation of complaints, the LFO anticipates that this will have an indeterminable impact on the department's ability to perform existing responsibilities, which may result in longer hours and reduced time spent on other activities.

NOTE: The bill gives LDH greater administrative oversight over the boards. It is not anticipated that this increased oversight will result in fewer functions being performed by the board. However, one provision of the proposed law provides that adjudicatory hearing authority be transferred from the boards to the Division of Administrative Law (DAL). The boards will have to pay a fee to DAL to conduct these hearings. The LFO anticipates this may result in some savings to the boards because instead of contracting with private attorneys, the boards will contract with DAL to conduct the hearings, likely at a lower rate.

(CONTINUED ON PAGE TWO)

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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Staff Director

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CONTINUED EXPLANATION from page one:

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(EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE)

The bill provides that contracts for legal services shall not be approved if the contracted hourly rate is more than the board's in-house counsel or more than a state civil service attorney with comparable years of experience, whichever is greater. To the extent that a board currently contracts for legal services at a higher hourly rate, this limitation is anticipated to result in decreased legal expenses for the boards.

Finally, a consumer member should be added to each of the 25 health professional licensing boards. The board's members may be compensated for their services or attendance at council meetings and reimbursed for travel-related expenses. Therefore, the proposed law is anticipated to result in an indeterminable, but minimal, increase in SGR expenditures to each of the boards associated with the addition of a board member.

Senate

Dual Referral Rules

- 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
- 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House

- 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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