

### Fiscal Estimate - 2007 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>07-0850/1</b>	<b>Introduction Number</b> <b>AB-0263</b>
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**Description**  
 State agency status coverage under the Volunteer Health Care Provider Program regardless of applicable health care liability insurance coverage

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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**Local:**

No Local Government Costs  
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<b>5. Types of Local Government Units Affected</b> <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b> DHFS/ Ellen Hadidian (608) 266-8155	<b>Authorized Signature</b> Andy Forsaith (608) 266-7684	<b>Date</b> 1/8/2007
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**Fiscal Estimate Narratives**  
**DHFS 4/13/2007**

LRB Number <b>07-0850/1</b>	Introduction Number <b>AB-0263</b>	Estimate Type <b>Original</b>
<b>Description</b> State agency status coverage under the Volunteer Health Care Provider Program regardless of applicable health care liability insurance coverage		

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, a health care provider and nonprofit agency can petition DOA to allow the provider to provide, without charge to low-income patients, health care services, including health education, office visits, prescriptions and, for dentists, simple tooth extracting and necessary related suturing. The health care provider becomes a state agent of the Department for the provision of these services. If a civil action arises out of an act committed by the provider during the lawful course of that person's duties, the state provides legal counsel and any judgments against the provider are paid by the state and capped at \$250,000. However, a governmental unit need not provide or pay for legal representation if the provider's malpractice insurance provides representation.

This bill gives health care providers who provide services under the volunteer program the status of state agents of DHFS, regardless of whether the provider has medical malpractice insurance coverage that would extend to the provision of the volunteer services. The bill makes exceptions for volunteer health care providers from current provisions in state law that (a) limit payment by the state to damages and costs in excess of applicable insurance coverage and (b) limit the state's duty to provide or pay for legal representation to the extent that applicable insurance provides that representation. However, the bill does not remove the current \$250,000 cap on the amount recoverable from a proceeding against a state officer, employee, or agent.

Liability claims against the state are paid from funds administered by the Department of Administration. The Department pays premiums to DOA for liability insurance. The Department paid \$772,686 for liability insurance and \$104,509 for medical malpractice insurance in SFY 06. If these volunteer health care providers were added to the Department for liability purposes, and claims were made against them, the Department's liability premiums would also increase. However, the amount by which the premiums will increase as a result of the bill cannot be estimated.

**Long-Range Fiscal Implications**