

Fiscal Estimate Narratives

DHFS 08/06/2001

LRB Number	01-0861/1	Introduction Number	SB-140	Estimate Type	Original
Subject					
Public information regarding disciplinary action against physicians					

Assumptions Used in Arriving at Fiscal Estimate

SB 140 directs the Medical Examining Board to make available for dissemination to the public specific information concerning a physician's education, practice, malpractice history, criminal history and disciplinary history. In addition, SB 140 requires the administrative rules of the Department of Health and Family Services (DHFS) to include procedures affording health care providers the opportunity to correct health care information collected under Chapter 153 of the Wisconsin Statutes.

Currently, the Department is directed to promulgate administrative rules with the approval of the Board on Health Care Information to, among other things, establish procedures under which health care providers are permitted to review, verify, and comment on health care information collected under Chapter 153 of the Wisconsin Statutes. The Department may not release any health care information that is subject to those rules until there is compliance with the verification, comment and review procedures. SB 140 expressly requires the rules to include procedures affording health care providers opportunity to correct health care information.

Compliance with SB 140 will require additional Department resources. Because current statutes do not permit the Department to fund necessary SB 140 modifications through provider revenues, it is assumed that increased expenses will be funded by GPR. It is estimated that an additional 1.0 FTE GPR will be needed to implement and administer program functions, which will offer providers the opportunity to correct data collected under ch. 153, stats. The associated annual cost of this position is approximately \$54,800 GPR. In addition, it is expected that management oversight of these functions will require an additional \$3,100 GPR annually.

In addition, compliance with the bill will require the Department to contract for external information technology services. Specifically, the Department will need to contract with SAS programmers to reprogram the automated edit process in order to accommodate the processing of corrections from providers. It is estimated that the one-time cost of this contract will be \$75,000 GPR.

SB 140 will also have an impact on the timely release of data as required by the Board on Health Information. The new process of allowing physicians to change their data will impact on the timely release of data, perhaps delaying release by several months. It is expected that this delay will have a negative impact on the revenue supplied by customers who purchase fixed-price data and custom data services from the Department. The revenue for these products over the past four years has averaged approximately \$200,000 per year. Because demand for these products is highly sensitive to timely availability, it is estimated that the delay may reduce revenue for these products and services by \$100,000 annually. Because these revenues are used to offset hospital and Freestanding Ambulatory Surgery Centers (FASC) assessments, the Department's net fiscal impact due to the loss of revenue is zero. However, assessments to hospitals and FASCs will need to be increased to cover the loss of revenues.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$75,000			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$57,900	
(FTE Position Changes)		(1.0 FTE)	
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$57,900	\$
B. State Costs by Source of Funds			
GPR		57,900	
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS		100,000	-100,000
SEG/SEG-S			
TOTAL State Revenues		\$100,000	-\$100,000
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$57,900	\$
NET CHANGE IN REVENUE		\$0	\$
Agency/Prepared By		Authorized Signature	Date
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