

Fiscal Estimate Narratives

DHFS 2/16/2004

LRB Number	03-0294/3	Introduction Number	AB-132	Estimate Type	Original
Subject					
Require hospital and clinic laboratory reports to be printed in no smaller than 14- point font					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, health care providers are required to maintain patient records under certain specified conditions. All health care providers must keep patient records in such a way that patient confidentiality is maintained. In addition, providers who obtain fetal monitoring tracings may not delete or destroy these tracings or microfilm copies of the tracings from a patient's records unless the provider gives written notice to the patient 35 days prior to the destruction or deletion of the record. Providers who cease to practice as a health care provider may not move or destroy patient records without first notifying patients and persons authorized by patients through 1st class mail and newspaper notifications. Also, inpatient hospital providers must seek to obtain information on a patient's occupation to include in a patient's record, and, if an individual's health problems might be related to occupation, this information must be included in a patient's health care records.

This bill specifies an additional condition for maintenance of patient records. This bill would require hospital laboratories and laboratories certified under 42 USC 263a (CLIA certification) to format reports for patient records in a type size that is no smaller than 14 point. Some labs will incur costs to meet the new standard. Labs that generate reports using a hard coded computer form or a paper form not currently in a 14 point font format may face costs in adapting the forms to 14 point font.

There is no state fiscal effect for the Medicaid program (MA) under this bill. MA reimbursement for laboratory services is based on a fee schedule and additional funding for MA laboratory services in the current biennium is not available. Thus Medicaid (MA) providers must absorb the additional costs to implement and produce new report formats under this bill.

There is also no fiscal effect for Department operated labs. The Department currently operates two labs subject to the regulations proposed in this bill. These labs are located at Winebago Mental Health Institute and Mendota Mental Health Institute and currently have the capability to print lab reports in a 14 point font.

However, there is a state fiscal effect for the Department's Bureau of Quality Assurance. The Bureau of Quality Assurance (BQA) would be required to monitor compliance with new regulations under this bill. There are 2871 CLIA certified labs in Wisconsin, and it is estimated BQA auditors would spend a quarter of an hour per lab to monitor compliance under this bill. Annually, additional auditor staff time would cost \$20,200 AF (\$12,700 GPR).

The local fiscal effect of this bill is indeterminate. The Centers for Medicare and Medicaid Services (CMS) identifies 365 CLIA certified labs operated by non-state governmental units in Wisconsin. It is unknown which non-state government units, if any, cannot currently format lab reports in 14 point font and what their costs for re-formatting would be. Therefore the local fiscal effect is indeterminate.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$22,200	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$22,200	\$
B. State Costs by Source of Funds			
GPR		12,700	
FED		9,500	
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, ets.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$22,200	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
DHFS/ Anne Miller (608) 266-5422		Fredi Ellen Bove (608) 266-2907	2/16/2004