

### Fiscal Estimate - 2003 Session

Original       Updated       Corrected       Supplemental

LRB Number **03-1899/2**      Introduction Number **AB-486**

**Subject**  
 Require state agencies to act on applications for approvals within periods established by rule

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate

Increase Existing Appropriations       Increase Existing Revenues       Increase Costs - May be possible to absorb within agency's budget  
 Decrease Existing Appropriations       Decrease Existing Revenues       Yes       No  
 Create New Appropriations       Decrease Costs

**Local:**

No Local Government Costs  
 Indeterminate

1.  Increase Costs      3.  Increase Revenue  
 Permissive  Mandatory       Permissive  Mandatory

2.  Decrease Costs      4.  Decrease Revenue  
 Permissive  Mandatory       Permissive  Mandatory

5. Types of Local Government Units Affected

Towns       Village       Cities  
 Counties       Others  
 School Districts       WTCS Districts

**Fund Sources Affected**      **Affected Ch. 20 Appropriations**

GPR     FED     PRO     PRS     SEG     SEGS (1)(gm), (3)(jm), (6)(jm)

<b>Agency/Prepared By</b> DHFS/ Mark Resheske (608) 267-0356	<b>Authorized Signature</b> Freda Ellen Bove (608) 266-2907	<b>Date</b> 10/13/2003
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## Fiscal Estimate Narratives

DHFS 10/13/2003

LRB Number	03-1899/2	Introduction Number	AB-486	Estimate Type	Original
<b>Subject</b>					
Require state agencies to act on applications for approvals within periods established by rule					

### Assumptions Used in Arriving at Fiscal Estimate

Under this bill, the Department of Health and Family Services (DHFS) must implement a rule to establish periods within which the Department intends to approve or disapprove an application for a license, permit, certification, registration, approval, or accreditation to operate the following types of facilities or programs:

1. care management organizations
2. child welfare agencies, group homes, shelter care facilities and day care centers
3. MA providers
4. nursing homes, institutions for mental diseases, CBRFs, adult family homes, RCACs, hospitals, home health agencies, rural medical centers and hospices
5. outpatient mental health clinics, treatment facilities, community mental health programs and community support program providers
6. nurse/home health/hospice aide instructional and competency evaluation programs, ambulance service providers, EMTs, EMT training, defibrillation performance, first responders, defibrillator training programs and emergency medical services instructional programs and program plans
7. sanitarians, public health dispensaries, HIV tests/test kits, tattooists/body piercers and establishments, lead hazard reduction/lead management activity performance/supervision, lead training courses and instructors, lead-free/lead-safe status, asbestos abatement/management activities, ionizing radiation sources, radiation source plans/specifications, ionizing radiation installation sites, radioactive materials, campgrounds/camping resorts/recreation or educational camps/public swimming pools, food sanitarians, hotels/restaurants/temp restaurants/tourist rooming houses/vending machines and commissaries, B&Bs, food protection practices, Grade A dairy operations, tanning facilities and labs for performing chemical analyses of blood or urine for alcohol, controlled substances or controlled substance analogs.

The Department would be required to refund all application fees paid if the Department fails to provide the applicant with written notice that it has been approved or disapproved, including the specific facts upon which any disapproval is based, before the expiration of the period established for the application. Upon receiving an application for a license the Department would be required to inform the applicant of the time period established for the application. The Department can extend the period based on an incomplete application if it provides written notice within 30 days of receipt of the application specifying information that must be provided to complete the application. Disapproval cannot be based on the Department's inability to complete the application review within the established time period.

It is assumed that the Department would comply with the requirement to notify the applicant of the review period by including the information on application forms. Based on this assumption, the Department would not incur additional costs to notify providers. It is also assumed that the Department will be able to act on the large majority of applications within the review period it establishes. However, because of other workload demands of licensing staff, such as inspections and complaint investigations, it is possible that the Department would issue fee refunds to some applicants. Assuming it would eventually approve these applicants, the refunds would result in a loss of fee revenue. The number of applications that would result in a refund and the cost of notices required under the bill is unknown. However, if the bill causes 5% of DHFS application fees to be refunded the Department would lose approximately \$80,000 PRO per year in revenue that funds the regulatory activities in the Bureau of Quality Assurance (BQA), Division of Public Health (DPH), and Bureau of Regulation and Licensing (BRL).

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>03-1899/2</b>		Introduction Number <b>AB-486</b>	
<b>Subject</b>			
Require state agencies to act on applications for approvals within periods established by rule			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			-80,000
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$-80,000</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$-80,000	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
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		<b>Date</b>	
		10/13/2003	