

Fiscal Estimate Narratives

R&L 9/4/2003

LRB Number	03-1475/1	Introduction Number	SB-227	Estimate Type	Original
Subject					
Health care professional discipline cases					

Assumptions Used in Arriving at Fiscal Estimate

SB 227 imposes various duties on the Department of Regulation and Licensing (DRL) relating to disciplining Health Care Professionals regulated by the Department.

One new duty is to promulgate rules establishing a system for identifying health care professionals who, even if not the subject of a specific allegation of, or specific information relating to, unprofessional conduct, may nonetheless warrant further evaluation and possible investigation.

One-time costs for Rule Making are:

[all hourly salary projections include fringe benefits at 38.92%]

80 hours paralegal time @ 27 per hour --\$ 2,160

60 hours attorney time @53 per hour --\$ 3,180

40 hours program manager @36 per hour --\$ 1,440

One-time costs will also be incurred for new staff required as noted in the ongoing costs below.

Furniture, office enclosures and personal computers for 13.5 new staff --\$ 74,250

DRL's current Complaint Tracking System [CTS] will not support the new monitoring and discipline requirements under this bill. Information databases and systems will need to be developed for the new requirements.

80 hours IT development staff @ 35 per hour --\$ 2,800

80 hours IT contractor @60 per hour --\$ 4,800

for system definition and redesign

275 hours IT development staff @ 35 per hour --\$ 9,625

275 hours IT contractor @60 per hour --\$ 16,500

for system development and data modeling

400 hours IT staff for project management @ 35 per hour --\$ 14,000

1000 hours IT staff @ 35 per hour --\$ 35,000

1000 hours IT contractor @60 per hour --\$ 60,000

to develop the databases and applications and test

80 hours IT staff @ 35 per hour for security system integration --\$ 2,800

100 hours IT staff @ 35 per hour for technical system documentation --\$ 3,500

200 hours IT staff @ 35 per hour for to develop manuals and train staff --\$ 7,000

Total one-time costs are \$237,055

On-going:

New Investigations

There are approximately 100,000 Health Care Professional credential holders in Wisconsin. Assuming that 500 of these might warrant review despite generating no complaints and half of these--250--might need further investigation, DRL would need the following new staff, including salary, fringe and supplies to perform the new investigations.

Salary and Fringe

4 Consumer Protections Investigators \$216,320
1 Paralegal \$ 47,840
1 Program Assistant \$ 35,360
1 Attorney \$110,240

Supplies of \$1,200 per year for 7 staff \$ 8,400

Investigations of Deaths

The new requirement for coroners and medical examiners to report deaths to DRL would likely result in more complaint investigations relating to deaths. Investigation of complaints following deaths must be initiated within one year. To handle the additional complaint work load, DRL would need the following new staff, salary, fringe and supplies

Salary and Fringe

2 Consumer Protection Investigators \$108,160
1 Paralegal \$ 47,840
1 Program Assistant \$ 35,360
2 Attorneys \$220,480

Supplies of \$1,200 per year for 6 staff \$ 7,200

The option for the Medical Examining Board to take summary action to limit a practitioner's license may result in more summary actions since the sanction is not as severe as a suspension. Summary action requires significant staff support to prepare the evidence for the action and to support the follow up hearings. The following value of existing staff time will be expended by DRL to support the Board in these actions.

863 hours [rounded] of Attorney time @ 53 per hour \$ 45,713
863 hours [rounded] of Paralegal time @23 per hour \$ 19,838

The re-designed monitoring system will require .5 FTE for system support and maintenance
Salary and fringe of \$35 per hour \$ 36,400
Annual supplies for .5 FTE \$ 600

Total annual costs \$939,750

The bill does not give DRL additional expenditure authority for these costs or provide for any additional revenue to cover them.

SB 227 requires Coroners and Medical Examiners who report deaths that might have resulted from health treatments to District Attorneys to report these also to DRL. DRL has no information suggesting that this reporting requirement will have a fiscal impact on local governments.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Health care professional discipline cases			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$237,055			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$923,550	
(FTE Position Changes)		(13.5 FTE)	
State Operations - Other Costs		16,200	
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$939,750	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS		939,750	
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			
		State	Local
NET CHANGE IN COSTS		\$939,750	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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