



## Fiscal Estimate Narratives

DHS 4/9/2024

LRB Number	23-0220/1	Introduction Number	AB-0870	Estimate Type	Original
<b>Description</b> video recording of surgical procedures, providing an exemption from emergency rule procedures, granting rule-making authority, and providing a penalty					

### Assumptions Used in Arriving at Fiscal Estimate

This bill creates a requirement for hospitals, ambulatory surgical centers, or any other places where surgical procedures are performed (surgical facilities) to offer surgical patients the option to have their surgical procedures and discharge instructions videotaped. The surgical facility may charge a surcharge of up to \$25 for each recording. Under this bill, the Department of Health Services (DHS) is required to promulgate rules, including establishing standards relating to the recording equipment and the recording.

Under this bill, costs to GPR will increase by increasing the staff time for rulemaking, the development of request forms, conducting compliance surveys and complaint investigations, and implementing required enforcement penalties. Using planned regulatory workload for the current year and other recent data, the following cost estimate was determined.

This bill will result in one-time and ongoing costs to the Department. These costs must be funded by 100% GPR because the bill creates state-only regulations. Under this bill, it is estimated that the one-time costs to promulgate rules to establish the requirements for videotaping surgical procedures would require 1,000 hours of staff time at a cost of \$46,730 GPR. Additionally, one-time costs for establishing standards, procedures, and forms for advance requests for recording would require 200 hours of staff time at a cost of \$11,746 GPR. This bill would increase ongoing costs by increasing the complexity and workload of compliance surveys.

It is estimated that conducting compliance surveys to implement this bill would require an additional 75 hours of staff time annually at a cost of \$7,228 GPR. This estimate is based on 16 hospital and 9 ambulatory surgical center surveys the Department plans for federal fiscal year 2018. It is estimated that conducting complaint investigations related to the provisions of this bill would require 160 hours of staff time at an annual cost of \$12,587 GPR. This is based on an estimated 10 hospital complaints and 10 ambulatory surgical center complaints per year. Additionally, it is estimated that the cost to implement the forfeiture procedures under the provisions of this bill for 10 forfeitures annually would require 40 hours of staff time at an annual cost of \$5,032 GPR. Under this bill, a forfeiture of up to \$25,000 may be assessed for each violation.

Based on an estimated 20 complaints per year, this would result in up to \$500,000 in revenue for the injured patients and families compensation fund. In total, this bill will increase one-time GPR costs by \$69,976 and ongoing GPR costs by \$17,347 and 0.13FTE. If funding and FTE are not received to implement this bill, the result would be an inability to conduct the compliance surveys and delays in conducting complaint investigations.

### Long-Range Fiscal Implications