

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 843** HLS 15RS 2396  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.: **HB 573**

**Date:** May 25, 2015 11:58 AM **Author:** HAZEL  
**Dept./Agy.:** La. State Board of Medical Examiners **Analyst:** Alan M. Boxberger  
**Subject:** Provide for violation investigation/adjudication by LSBME

BOARDS/COMMISSIONS EG INCREASE SG EX See Note Page 1 of 1  
 Provides for the investigation and adjudication of violations by the Louisiana State Board of Medical Examiners

Present law provides that three members of the La State Board of Medical Examiners (LSBME) constitute a quorum for all purposes. Present law authorizes the LSBME to refuse to issue, or suspend or revoke any license or permit, or impose probationary or other restrictions on any license or permit for certain causes.

Proposed law raises the quorum to four; clarifies causes for certain refusal to issue, suspension or revocations of licenses or permits; authorizes any staff member of the board, except the executive director to act as the lead investigator for any complaint received by the board regarding a physician or any investigation initiated by the board upon its own motion; provides that an initial complaint may be made by any person or by the LSBME, except in cases of egregious conduct, and requires that such complaint be made in writing, dated and provides for minimum content; prohibits the board from taking action upon the receipt of an anonymous complaint or a complaint involving conduct that occurred more than three years from the date received; requires to board to promulgate rules to provide for the investigation of complaints and to satisfy minimum due process requirements; requires any final decision to be supported by a preponderance of evidence presented at an adjudicatory hearing; requires promulgation of required rules to be completed no later than 1/1/16 and for monthly progress reports on said rule promulgation beginning 7/1/15.

<b>EXPENDITURES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$427,411	\$345,881	\$358,851	\$373,722	\$387,140	<b>\$1,893,005</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$427,411</b>	<b>\$345,881</b>	<b>\$358,851</b>	<b>\$373,722</b>	<b>\$387,140</b>	<b>\$1,893,005</b>

  

<b>REVENUES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
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Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Proposed law may result in a significant increase in SGR expenditures by the Louisiana State Board of Medical Examiners (LSBME). Proposed law increases the board's quorum requirement from three to four board members and establishes certain requirements with regard to investigations and adjudications conducted by the board. LSBME estimates FY16 costs to be approximately \$427,000 and FY17 to be approximately \$346,000 (costs are adjusted for inflation and merit increases in subsequent fiscal years).

LSBME reports that proposed law will require an increase of SGR expenditures above current year projections as follows:

	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
<u>Personal Services</u>					
Physician Consultant (Unclassified)	\$246,901	\$256,592	\$266,672	\$278,538	\$288,839
RN Compliance Investigator	\$74,240	\$77,009	\$79,889	\$82,884	\$85,991
<u>Operating Services</u>					
Board Member per diem/expenses	\$6,270	\$6,280	\$6,290	\$6,300	\$6,310
Computer Software (purchase and maintenance)	\$100,000	\$6,000	\$6,000	\$6,000	\$6,000
	\$427,411	\$345,881	\$358,851	\$373,722	\$387,140

LSBME estimates that the additional workload associated with enhanced requirements of due process will result in the need to hire one additional investigator. Proposed law prohibits the executive director from serving as the lead investigator on any complaint. LSBME reports the executive director is the only M.D. on the existing professional staff of the LSBME and this prohibition will require hiring a full-time physician to properly conduct investigations. This fiscal note assumes a 4% annual increase in personal services costs.

LSBME reports it will need to acquire (one-time cost of \$100,000) and maintain a new software system to properly track and administer investigations.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules House  6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S} *Evan Brasseaux*  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}  6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} **Evan Brasseaux**  
**Staff Director**