



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 75** SLS 17RS 137
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: April 19, 2017	7:40 AM	Author: MILLS
Dept./Agy.: LDH		
Subject: HEALTH/HOSPITALS DEPT.		Analyst: Tanesha Morgan

HEALTH/HOSPITALS DEPT. OR SEE FISC NOTE GF EX Page 1 of 2
Provides relative to the health professional licensing boards created within the Louisiana Department of Health.

The proposed law provides relative to the 25 health professional licensing boards that are statutorily placed within the Louisiana Department of Health (LDH). There are five major components of the bill: (1) each board shall have a consumer member, (2) adjudicatory hearing authority shall be transferred from the boards to the division of administrative law, (3) the public shall have an opportunity to submit complaints to LDH against a board, (4) each board shall sunset concurrently with LDH, and (5) LDH shall thoroughly review the budgets of the boards, exercise procurement and contract review for the boards, and review fees collected by the boards.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The LFO anticipates that there will be some workload increases to LDH as a direct result of this measure, but the appropriate amount of resources needed depends on the time necessary to perform contract and procurement management, approve legal contracts, review and make a determination on public complaints, review and determine eligibility for new board members, review and analyze the budgets of the boards, and review and recommend changes to fees charged by the board.

LDH indicates that complying with the proposed law would require 21 new positions at an annual cost of \$1.8M, (4 Budget Staff, 3 Legal Staff, 3 Auditing Staff, 2 Human Resources Staff, 3 Fiscal Staff, 3 Clerical Staff, and 3 Contract/Procurement Staff). LDH did not provide a methodology for a basis of the additional positions needed. LDH Office of the Secretary presently has 10 Budget Staff, 30 Legal Staff, 7 Auditing Staff, 40 Human Resources Staff, 48 Fiscal Staff, and 8 Clerical Staff to manage a \$14.2B budget.

Currently, LDH’s budget review of the boards as required under LA R.S. 36:803 is minimal. The proposed law requires LDH to conduct a more thorough budget review of the boards. As a result of this measure, it is assumed that the department will monitor the revenue and expenditures of the budget of the boards on a monthly basis. In addition, the department will provide a five-year fiscal forecast, and a written recommendation to the legislature each year regarding board fees.

NOTE: The bill indicates that the department shall absorb the cost of implementing and performing the responsibilities established in the bill by reallocating existing budget and staff resources. Given the number of boards and the level of work to perform other responsibilities set forth in the bill, such as budget analysis and contract review, the LFO anticipates that this will have an indeterminable impact on the department’s ability to perform existing responsibilities, which may result in longer hours and reduced time spent on other activities.

(CONTINUED ON PAGE TWO)

REVENUE EXPLANATION

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

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	<i>Evan Brasseaux</i>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Evan Brasseaux Staff Director



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NOTE: The bill gives LDH greater administrative oversight over the boards. It is not anticipated that this increased oversight will result in fewer functions being performed by the board. However, one provision of the proposed law provides that adjudicatory hearing authority be transferred from the boards to the Division of Administrative Law (DAL). The boards will have to pay a fee to DAL to conduct these hearings. The LFO anticipates this may result in some savings to the boards because instead of contracting with private attorneys, the boards will contract with DAL to conduct the hearings, likely at a lower rate.

Finally, a consumer member should be added to each of the 25 health professional licensing boards. The board’s members may be compensated for their services or attendance at council meetings and reimbursed for travel-related expenses. Therefore, the proposed law is anticipated to result in an indeterminable, but minimal, increase in SGR expenditures to each of the boards associated with the addition of a board member.