

**FISCAL NOTE  
PRIVATE COST**

- I. Department Title: Department of Health and Senior Services  
Division Title: Division of Regulation and Licensure  
Chapter Title: 19 CSR 30-105.030**

<b>Rule Number and Title:</b>	19 CSR 30-105.030 Procedures and Requirements for Registration of a Supplemental Health Care Services Agency
<b>Type of Rulemaking:</b>	Proposed Rule

**II. SUMMARY OF FISCAL IMPACT**

Estimate of the number of entities by class which would likely be affected by the adoption of the rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
600 registered agencies with staffing ranging from:	Agency registering (initial or renewal) with DHSS as a supplemental health care services agency	Annual costs below based per 1 agency depending on # of staff
10 staff		\$79,260 annually
350 staff		\$2,774,100 annually
4,000 staff		\$31,704,000 annually

**III. WORKSHEET**

**Costs for each registered agency:**

Worker's Compensation rate for long-term care facilities and hospitals is estimated \$2,225 per staff, annually.

10 staff	\$2,225 per staff	\$22,250 per year
350 staff	\$2,225 per staff	\$778,750 per year
4,000 staff	\$2,225 per staff	\$8,900,000 per year

Medical malpractice average cost is estimated \$125 per healthcare position, annually.

10 staff	\$125 per staff	\$1,250 per year
350 staff	\$125 per staff	\$43,750 per year
4,000 staff	\$125 per staff	\$500,000 per year

Financial responsibility of documenting at least four weeks of back wages per employee by establishing and maintaining an escrow account consisting of cash or assets eligible for deposit; or obtaining and maintaining an unexpired irrevocable letter of credit established is estimated to be an average of \$5,576 per staff, annually.

10 staff	\$5,576 per staff	\$55,760 per year
350 staff	\$5,576 per staff	\$1,951,600 per year
4,000 staff	\$5,576 per staff	\$22,304,000 per year

IV.  
V.  
VI.

**VII. ASSUMPTIONS**

The Department is estimating zero to 600 agencies to register with the department as a supplemental health care services agency.

Department of Health and Senior Services is unsure of the number of staff each supplemental health care services agency employs/contracts. However, we have spoken with people in the industry who place staff in hospitals and health facilities, and they indicated to us that some agencies place as few as 10 staff persons, while larger agencies place up to 4,000 staff persons. Additionally, we collected data from people in the industry regarding common contracted health care positions (CNA, RN etc.) and low-high hourly rates to determine an average wage for back wages per employee. Based on that, we have made estimates based on small agencies, medium-sized agencies, and larger agencies. The department’s estimates are also based on data from other states that have similar laws to our new law. Based on demographic characteristics of these states, we have estimated the impact on Missouri.

Annual cost per agency for Worker’s Compensation Insurance, Medical Malpractice Insurance, and Financial Responsibility for staffing ranges of:	
10 staff	\$79,260 annually
350 staff	\$2,774,100 annually
4,000 staff	\$31,704,000 annually