

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7581**

**BILL NUMBER: HB 1404**

**DATE PREPARED:** Feb 25, 1999

**BILL AMENDED:** Feb 24, 1999

**SUBJECT:** Continuing education for physicians and nurses.

**FISCAL ANALYST:** Bernadette Bartlett

**PHONE NUMBER:** 232-9586

**FUNDS AFFECTED:**  **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill requires the Medical Licensing Board to adopt rules that establish continuing education requirements designed to maintain the competency of physicians. Physicians must submit a statement attesting that they have obtained the necessary continuing education requirements to renew their licenses.

Only clinical courses may satisfy the continuing education requirements, and Internet-based courses may only satisfy a maximum of 10% of the continuing education requirements. Physicians must submit proof of having obtained the necessary continuing education requirements to renew their licenses.

The State Board of Nursing must adopt rules that establish continuing education requirements designed to maintain the competency of nurses. Nurses must submit a statement attesting that they have obtained the necessary continuing education requirements.

This bill allows for random continuing education compliance audits.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** (Revised) The Health Professions Bureau, which oversees the regulation of physicians and nurses, will experience an increase in expenses associated with implementing the continuing education requirements. The primary expense will involve informing practitioners of the changes in the requirements. There are currently approximately 140,000 practitioners. The Bureau will experience an increase in expenses associated with printing and postage necessary to notify practitioners and sponsors of continuing education about the continuing education requirements. Telephone expenses will also increase because of additional calls about continuing education and licensure.

Impact of the Proposal		
Expense	Fiscal Year 2000	Fiscal Year 2001
Personnel	\$57,000	\$57,000
Printing	85,100	28,400
Postage	143,600	47,900
Telephone	3,000	3,000
Supplies	4,500	4,500
<b>Total</b>	<b>\$293,200</b>	<b>\$140,800</b>

The funds and resources required above could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) Funds that, otherwise, would be reverted; or (5) New appropriations. As of 1-31-99, the State Personnel Manning table reported that the Bureau had four vacancies; however, the Bureau intends to fill these positions. With respect to reversions, the Bureau reverted \$223,413 in fiscal year 1997-98 and \$214,707 in fiscal year 1996-97. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions. The bill contains no appropriations.

**Explanation of State Revenues:** (Revised) The proposal may affect the number of applications and the amount of renewal fees that the Bureau collects. The specific impact, however, is indeterminable. License fees are deposited in the State General Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Health Professions Bureau

**Local Agencies Affected:**

**Information Sources:** Health Professions Bureau (317) 233-4406.