

Fiscal Note & Local Impact Statement

122nd General Assembly of Ohio

BILL: H.B. 667 DATE: March 21, 1998

STATUS: As Introduced SPONSOR: Rep. Hodges

LOCAL IMPACT STATEMENT REQUIRED: No — Minimal cost

CONTENTS: Permit certified registered nurse anesthetists, clinical nurse specialists, certified nurse-midwives, and certified nurse practitioners to prescribe drugs and therapeutic devices

State Fiscal Highlights

STATE FUND	FY 1998	FY 1999	FUTURE YEARS
Occupational Licensing and Regulatory Fund (4K9)			
Revenues	- 0 -	- 0 -	\$100,000 in odd fiscal years
Expenditures	- 0 -	\$124,000	\$200,000 per biennium

- Revenues to the Nursing Board (NUR) will total \$102,000 over the biennium. The majority of revenues for the Nursing Board occur during odd numbered fiscal years. Biennial expenses as a result of the changes will total approximately \$200,000 during the biennium. With the \$50 license fee in the bill, NUR expenditures will exceed revenue over the course of the biennium.
- One-time implementation expenses to the Nursing Board will cost about \$22,000 in the first year following enactment of this bill.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 1998	FY 1999	FUTURE YEARS
Counties			
Revenues	- 0 -	Potential minimal gain	Potential minimal gain
Expenditures	- 0 -	Potential minimal increase	Potential minimal increase

- Prohibits an Advanced Practice Nurse (APN) who holds a certificate from prescribing drugs not on the NUR established formulary. Violators are subject to a fine of \$500, 90 days in jail, or both. The Nursing Board forwards these cases to the county prosecutor. This section of the Revised Code is enforced in the County Common Pleas Court. NUR states that the number of cases forwarded to county prosecutors is minimal.
- In addition to the expense of prosecution, the local common pleas court would collect the \$500 in fine revenue, to be deposited into the general fund of the county.



Detailed Fiscal Analysis

Board of Nursing

Revenues

According to the Ohio Board of Nursing (NUR), the changes in H.B. 667 will cause biennial revenue to increase by approximately \$100,000. NUR estimates that 2,000 nurses will pay the license fee of \$50. The Board of Nursing collects the majority of its revenue in the odd fiscal year of a biennium. Under these projections, NUR estimates revenues of approximately \$100,000 for the 2-year period. As discussed below, for the same period, NUR estimates expenditures to total about \$200,000.

Expenditures

In the first year following enactment of this bill, NUR will have expenses totaling around \$125,000. Approximately \$22,000 of this amount covers one-time implementation expenses. According to NUR, these expenses include:

Application printing/mailing	\$ 2,500
Staff overtime to process applications	\$10,000
Rules hearing	\$ 4,000
PC and software	\$ 5,500
TOTAL	\$22,000

In addition to these one-time costs, NUR projects that it will have an additional \$100,000 in annual costs. To enforce the provisions of this bill, new staff will be needed, including a compliance Advanced Practice Nurse (APN) who would serve as an investigator for the board. Unlike other NUR investigators, this position would need to be an APN to effectively investigate the activities of other Advanced Practice Nurses. This position is pay range 14 plus 30 percent in fringe benefits. The Nursing Board also estimates that travel, telephone, and other expenses related to the activities of the Compliance APN would cost approximately \$6,000. To carry out the non-nursing administrative functions of prescriptive authority, NUR plans to hire an administrative assistant (pay range 28 plus 30 percent fringe benefits).

The final on-going annual expense for the board is for the activities of the Joint Advisory Council on Advanced Practice Nurses, created in this bill. This council is to be made up of nine members appointed by the Nursing Board. These individuals will serve without compensation other than actual and necessary expenses incurred in the performance of their official duties. NUR estimates that this council will meet six times per year. The following table presents a summary of these personnel and council costs.

Compliance APN	\$ 58,000
Administrative Assistant	\$ 34,000
Joint Advisory Council on APNs	\$ 4,000
Travel/Telephone, etc. for APN	\$ 6,000
TOTAL	\$102,000

Penalties

Additions to section 4723.44 of the Revised Code prohibit an individual from performing either of the following activities:

1. Prescribing drugs or therapeutic devices unless the licensed APN holds a valid certificate to prescribe.
2. If a licensed nurse has a certificate to prescribe, that individual may not prescribe drugs or therapeutic devices not listed on the formulary established by NUR.

Under section 4723.99 of the Revised Code, violations of these two provisions are punishable by a fine of \$500, an imprisonment of 90 days, or both. In these cases, NUR would take the case to the County Court of Common Pleas with jurisdiction in the matter. If the court levies a fine, the \$500 is deposited into the general fund of the appropriate county. NUR states that the number of cases anticipated to be forwarded to a county prosecutor is minimal.

□ *LBO staff: Jeffrey M. Rosa, Budget/Policy Analyst*

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