

SENATE BILL 326

Introduced by Nathe

2/05	Introduced
2/05	Referred to Rules
2/05	First Reading
2/05	Fiscal Note Requested
2/10	Fiscal Note Received
2/12	Fiscal Note Printed
2/18	Tabled in Committee

1 Senary BILL NO. 326
2 INTRODUCED BY NATHAN
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING LICENSED
5 PHYSICIANS TO PAY A FEE FOR THE FILING OF BIRTH
6 CERTIFICATES; CREATING A GRANT PROGRAM WITHIN THE DEPARTMENT
7 OF HEALTH AND ENVIRONMENTAL SCIENCES FOR THE SUPPORT OF
8 PROFESSIONAL LIABILITY INSURANCE FOR PHYSICIANS ATTENDING
9 BIRTHS; APPROPRIATING MONEY FOR ADMINISTRATIVE EXPENSES AND
10 GRANTS; AMENDING SECTION 50-15-109, MCA; AND PROVIDING
11 EFFECTIVE DATES."

12
13 STATEMENT OF INTENT

14 A statement of intent is required for this bill because
15 50-15-109 requires the department of health and
16 environmental sciences to adopt rules establishing a fee for
17 the filing of birth certificates and because [section 3]
18 requires the department to adopt rules governing a program
19 for grants to certain physicians for the purpose of
20 defraying the cost of professional liability insurance for
21 attendance at births.

22 It is the intent of the legislature that the rules
23 adopted by the department implementing the fee provisions in
24 50-15-109 establish a billing procedure under which the
25 department would calculate the number of births attended by

1 a physician and bill the physician at a time and in an
2 amount the department determines. The amount of the fee is
3 dependent upon the size and number of the grants to be made
4 and the number of attended births in the state in any given
5 year. The fee established by department rule must also be
6 sufficient to pay the department's administrative expenses
7 for the grant program.

8 It is also the intent of the legislature that the rules
9 implementing the grant program provide for grants that make
10 a meaningful difference in the ability of physicians to
11 afford obstetric malpractice insurance. Priority for grants
12 must be given to those physicians providing obstetric care
13 in counties designated by the federal government as health
14 professional shortage areas.

15
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17 **Section 1.** Section 50-15-109, MCA, is amended to read:

18 "50-15-109. Certificates -- fees. (1) All certificates
19 shall include information required by the department.

20 (2) Local registrars shall forward original
21 certificates to the department, file a duplicate copy with
22 the county clerk and recorder, and retain a triplicate copy.

23 (3) Local registrars shall not issue certified copies
24 of certificates.

25 (4) Certificates filed within 6 months after the time

1 prescribed by the department shall be prima facie evidence
 2 of the facts stated in the certificates. Data pertaining to
 3 the father of a child is prima facie evidence only if the
 4 alleged father is the husband of the mother. If the alleged
 5 father is not the husband of the mother, data pertaining to
 6 the alleged father is not evidence in any proceedings
 7 adverse to his the father's interests, ~~his~~ or the father's
 8 heirs, next of kin, devisees, legatees, or other successors
 9 in interest.

10 (5) The department shall by rule charge a fee not to
 11 exceed \$15 to each physician required to file a birth
 12 certificate under 50-15-201(1). The fee must be deposited in
 13 the account established by [section 2]. The department may
 14 collect the fee by any suitable means, including an action
 15 in the district court of the first judicial district."

16 NEW SECTION. Section 2. Account for professional
 17 liability insurance grants. There is an account in the state
 18 special revenue fund to be used by the department of health
 19 and environmental sciences for grants under [section 3] for
 20 the support of professional liability insurance of
 21 physicians attending births. Fees collected pursuant to
 22 50-15-109 must be deposited in the fund. Money in the fund
 23 and the earnings on the fund are available for legislative
 24 appropriation for the purposes of [section 3].

25 NEW SECTION. Section 3. Grants for payment of

1 professional liability insurance -- advisory council. (1)
 2 The department shall administer a program to provide grants
 3 to physicians who attend births and who are required to file
 4 birth certificates under 50-15-201(1). Grants may be made by
 5 the department under the program only for the purpose of
 6 defraying the annual cost of the obstetric component of
 7 professional liability insurance for those physicians.

8 (2) The department shall by rule specify the
 9 requirements for receipt of a grant. The requirements must
 10 include an application in the form and containing the
 11 information required by the department. Each applicant for a
 12 grant shall prove to the satisfaction of the department that
 13 the applicant is covered by professional liability insurance
 14 for the year for which the grant is requested. The insurance
 15 must provide professional liability protection for damages
 16 arising from attendance and medical assistance at births.
 17 The total amount of a grant available under this section may
 18 not exceed the amount of the premiums for the obstetric
 19 component of the insurance for the year or years for which
 20 the grant is applied for.

21 (3) Grants available under this section are subject to
 22 the maximum amount provided in subsection (2) and the
 23 conditions contained in the rules of the department.

24 (4) The director of health and environmental sciences
 25 shall appoint an advisory council under 2-15-122, consisting

1 of a representative of the state medical association, a
2 representative of the state hospital association, the
3 director of social and rehabilitation services or the
4 director's designee, and other persons as the director of
5 health and environmental sciences determines, to advise the
6 director in the administration of the grant program.

7 NEW SECTION. **Section 4. Appropriation.** There is
8 appropriated \$160,000 from the account created by [section
9 2] to the department of health and environmental sciences
10 for fiscal year 1995 for administrative expenses of the
11 department and for making grants pursuant to [section 3].

12 NEW SECTION. **Section 5. Codification instruction.**
13 [Sections 2 and 3] are intended to be codified as an
14 integral part of Title 50, and the provisions of Title 50
15 apply to [sections 2 and 3].

16 NEW SECTION. **Section 6. Effective dates.** (1) [Sections
17 3(2), 3(4), 5, and this section] are effective on passage
18 and approval.

19 (2) [Sections 1 and 2] are effective July 1, 1993.

20 (3) [Sections 3(1), 3(3), and 4] are effective July 1,
21 1994.

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0326, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: An act requiring licensed physicians to pay a fee for the filing of birth certificates; creating a grant program within the Department of Health and Environmental Sciences for the support of professional liability insurance for physicians attending births; and appropriating money for administrative expenses and grants.

ASSUMPTIONS:

Department of Health and Environmental Sciences (DHES):

1. DHES does not now identify uniquely the physician responsible for the filing of a birth certificate. Minor modifications of filing procedures would be necessary.
2. There will be added workload to DHES for establishment and operation of a billing and collection system; for the review and approval of physician applications for grant assistance; and for fund dispersion to successful applicants. DHES will receive authorization for 0.50 FTE in FY94 increasing to 1.00 FTE administrative technician (grade 10), at a full-time cost of \$25,857 for salary and fringe benefits, \$1,200 for a computer, \$500 for a desk, and \$1,746 for rent for work space. Supplies, materials and mailing costs are estimated at \$2,000 per year.
3. The advisory council will meet once a year in Helena. Two round-trip airfares (1, Billings-Helena; 1, Glendive-Helena) = \$700. Eight days lodging and per diem = \$300.
4. There will be first year (FY94) one-time expenditures for legal costs associated with rule-making and filing. Estimate 20 hours @ \$45 = \$900 and 3 pages to be filed @ \$60 = \$180.
5. All or part of 39 counties are currently designated as Health Professional Shortage Areas.
6. Revenues are based on maximum fees of \$15 and an estimated 10,666 physician-attended births in 1992.
7. Collection of fees will begin in FY94. DHES will need a general fund loan in FY94 to start the program.

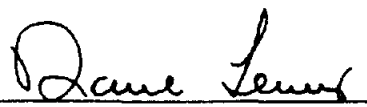
Department of Social and Rehabilitation Services (SRS):

8. The time required by the SRS director or designee is part of the current budget.

FISCAL IMPACT: DHES

	FY94			FY95		
<u>Expenditures:</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
FTE	0	1.00	1.00	0	1.00	1.00
Personal Services	0	12,928	12,928	0	25,857	25,857
Operating	0	5,326	5,326	0	4,746	4,746
Equipment	0	1,200	1,200	0	0	0
Grant	0	0	0	0	129,397	129,397
Total	0	\$19,454	\$19,454	0	\$160,000	\$160,000

Continued)

 2-10-93
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning


DENNIS G. NATHE, PRIMARY SPONSOR DATE
Fiscal Note for SB0326, as introduced

SB 326

FISCAL IMPACT:

	<u>FY94</u>			<u>FY95</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Funding:</u>						
General Fund (Loan)	0	\$19,454	\$19,454	0	0	0
Fees	0	0	0	0	\$160,000	\$160,000
<u>Revenues:</u>						
Fees	0	\$160,000	\$160,000	0	\$160,000	\$160,000

TECHNICAL NOTES:

The proposed legislation requires DHES to begin collection of fees in FY94 and to engage in administrative activities in FY94. DHES will need an appropriation for FY94 administrative expenses. The introduced legislation has this appropriation for FY95 only. The fiscal note shows a general fund loan of \$19,454 in FY94 in accordance with the introduced bill. Another option would be inclusion of a state special revenue (fees) start-up appropriation in FY94.

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