

March 9, 2017

The Honorable Daniel Hawkins, Chairperson
House Committee on Health and Human Services
Statehouse, Room 521-E
Topeka, Kansas 66612

Dear Representative Hawkins:

SUBJECT: Fiscal Note for HB 2022 by Representative Kiegerl

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2022 is respectfully submitted to your committee.

HB 2022 would allow eligible, terminally ill patients, as attested to by the patient's treating physician, to use potentially lifesaving investigational drugs, biological products, and devices. The bill would define terminal illness; investigational drug, biological product, or device; eligible patient; written informed consent; and physician.

The Kansas Department of Health and Environment states that HB 2022 would likely have a fiscal effect for KanCare, but because of unknown variables an estimate cannot be made. Unknown variables include the cost of possible future investigational treatments and costs associated with possible side-effects.

The Board of Healing Arts indicates that HB 2022 would result in increased complaints, investigations, and caseload activity and would therefore require an increase in FTE positions and operating expenditures. The table below shows the breakdown for the additional costs totaling \$448,122 and 7.00 FTE positions.

1.00 Investigator Position	\$ 50,538
2.00 Administrative Assistants @ \$36,801	73,602
1.00 Associate Litigation Counsel	80,600
1.00 Assistant General Counsel	91,936
2.00 Legal Assistants @ 47,023	<u>94,046</u>
Subtotal Salaries & Wages	\$390,722
Office furniture and Equipment @ \$7,000 per person	49,000
Telephone, e-mail, and Internet lines @ \$700 per month X 12	<u>8,400</u>
Total	\$448,122

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The Division of the Budget considers the fiscal estimate prepared by the Board of Healing Arts to be excessive. Although it is understandable that the agency would want to be prepared for the implementation of HB 2022, it appears that the estimate includes more FTE positions as well as more operating expenditures than would be necessary. Any fiscal effect associated with HB 2022 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Cathy Brown, Board of Healing Arts
Ashley Michaelis, Judiciary
Dan Thimmesch, Health & Environment