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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

January 24, 2013

The Honorable Mary Pilcher-Cook, Chairperson Senate Committee on Public Health and Welfare Statehouse, Room 441-E Topeka, Kansas 66612

Dear Senator Pilcher-Cook:

SUBJECT: Fiscal Note for SB 46 by Senate Committee on Public Health and Welfare

In accordance with KSA 75-3715a, the following fiscal note concerning SB 46 is respectfully submitted to your committee.

SB 46 would amend current law regarding physical therapists and their evaluation and treatment of patients. Current law allows a physical therapist to evaluate patients without a physician referral; however, except for certain specific conditions, they may not initiate treatment without approval by a licensed physician, licensed podiatrist, licensed physician assistant, or a licensed advanced practice registered nurse working at the direction of a licensed physician, chiropractor, dentist or optometrist.

The bill would allow physical therapists to initiate physical therapy treatment on a patient without referral from a licensed health care practitioner. Specific conditions that allow physical therapists to evaluate and treat a patient for no more than 30 consecutive calendar days without a referral would also be eliminated. The physical therapist must obtain a referral from an appropriate licensed health care practitioner, within five days after the evaluation, before continuing treatment if the patient is not progressing toward documented treatment goals, or measurable or functional improvement after ten patient visits or in a period of 15 business days from the initial treatment.

SB 46 would allow a hospital or ambulatory surgical center to require a physician's order or referral for physical therapy services; would require that the physical therapist provide self-referred patients with written notice that a physical therapy diagnosis is not a medical diagnosis by a physician before commencing treatment; would allow physical therapists to perform wound debridement services after approval by a person licensed to practice medicine and surgery or other licensed health care practitioner in appropriately related cases; and would provide a definition of "licensed health care practitioner."

The Board of Healing Arts indicates that the bill could cause an increase in the number of complaints or corresponding investigations that would need to be performed by Board staff. The

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number of disciplinary cases handled by the Board could also increase if medical diagnoses are delayed or missed. An increase in the number of investigations and disciplinary cases assigned to and performed by the Board would also increase related operational expenses such as travel, records duplication costs, court reporter costs, transcription fees, and expert witness fees. The Board, however, is unable at this time to estimate the amount of the increase in expenditures from the Board of Healing Arts Fee Fund. Any fiscal effect associated with SB 46 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget

cc: Cathy Brown, Healing Arts