

February 19, 2021

REVISED

The Honorable Richard Hilderbrand, Chairperson
Senate Committee on Public Health and Welfare
Statehouse, Room 445A-S
Topeka, Kansas 66612

Dear Senator Hilderbrand:

SUBJECT: Revised Fiscal Note for SB 174 by Senate Committee on Public Health and Welfare

In accordance with KSA 75-3715a, the following revised fiscal note concerning SB 174 is respectfully submitted to your committee.

SB 174 would amend the Nurse Practice Act. The bill would authorize an Advanced Practice Registered Nurses (APRNs) practice to be independent and no longer require a collaborative agreement with a responsible physician. Proof of national certification would be required for APRN licensure at the time of licensure and licensure renewal. The Board of Nursing would need to recognize national certifying organizations whose certification standards are equal to or greater than the corresponding standards established by the Board and approve these national certifying organizations. The Board would also need to include in its rules and regulations the federal Drug Enforcement Administration registration and monitor the APRN's compliance with this requirement. APRNs would also be able to prescribe medications independently and would need to maintain malpractice insurance coverage at the time of licensure and renewal of licensure. The Board would be required to monitor proof of malpractice insurance at the time of licensure and renewal of licensure.

The Board of Nursing indicates that enactment of SB 174 would require the Board to expand its current licensure software to enable the Board to validate national certification, compliance with federal drug enforcement requirements, and malpractice insurance. Communication would need to occur with all licensed APRNs and their employers about the change in requirements. The Board estimates that expenditures would total \$38,116 from the Nursing Fee Fund in FY 2022 only. These costs would include \$30,000 for upgrading the software and \$8,116 for communication expenses.

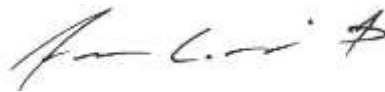
The Kansas Insurance Department indicates that enactment of SB 174 would require advanced practice registered nurses to maintain a policy of professional liability insurance. This would increase taxable insurance premiums, which would increase tax revenues deposited into the State General Fund and the agency fee fund as the Department receives 1.0 percent of premium tax revenues. However, the Department is unable to estimate the fiscal effect on State General Fund and agency fee fund revenue.

The Office of Attorney General indicates there would be no fiscal effect on the Office from passage of this bill. Under current law, the state would already be responsible for providing defense to ARPNs practicing in positions covered by the Kansas Tort Claims Act.

The Kansas Health Care Stabilization Fund Board indicates that SB 174 would increase expenditures by \$187,000 which would be offset by additional Health Care Stabilization Fund revenue. Recognizing Advanced Practice Registered Nurses as defined health care providers would cause a significant increase in the number of health care providers required to comply with the Health Care Provider Insurance Availability Act. This change would cause an increase in the agency's workload by as much as 20.0 percent. The Board estimates that it would increase expenditures by \$160,000 for salary, fringe benefits, and other operating expenses for an additional 2.00 FTE positions plus \$27,000 for additional actuarial analysis. The estimate for the fiscal effect for the Kansas Health Care Stabilization Fund Board was not included in the original fiscal note.

The Kansas Department for Aging and Disability Services, the Board of Optometry, and the Board of Pharmacy indicate that the bill would have no fiscal effect on the agencies. Any fiscal effect associated with SB 174 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Susan Gile, Board of Healing Arts
Jill Simons, Board of Nursing
Alexandra Blasi, Board of Pharmacy
Bobbi Mariani, Insurance
Connie Hubbell, Aging & Disability Services
Dianne Goddard, University of Kansas Medical Center