

FISCAL NOTE

May 5, 2017

Bill No:	HB 1043	Printer's No:	1477	Sponsor:	Baker (R)
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COST / (SAVINGS)

Fund (s)	2016-17	2017-18
General Fund	\$0	See "FISCAL IMPACT"

SUMMARY: This bill would amend the Health Care Facilities Act to provide for the registration, inspection and regulation of pain management clinics in the commonwealth.

ANALYSIS: House Bill 1043 would require each pain management clinic to register and maintain a valid registration with the Department of Health (DOH) within 30 days of meeting the definition of a pain management clinic under this act. "Pain management clinic" is defined as a facility that advertises any type of pain service and a majority of patients of the prescribers at the facility are provided treatment for pain, including the use of controlled substances. The following facilities would be excluded from the "pain management clinic" under this act:

- A hospital, including a licensed facility or facility owned by the hospital, including any outpatient facility or clinic of the hospital included in the hospital license.
- A hospice program or residential hospice facility.
- An ambulatory surgical center.
- A long-term care nursing facility.
- A home health care agency or home health care facility.
- A birth center.

Additionally, each pain management clinic location would be required to register separately and any change in clinic ownership would require a new registration application. DOH would be required to establish a registration and renewal fee, which must be paid upon change of the physical location or change of ownership. Each registration would be valid for one year.

At a minimum, DOH would be required to promulgate regulations concerning the process to be followed by applicants seeking registration, standards and procedures for inspections, as well as others as set forth under this act.

DOH would be required to assess an annual inspection fee for each location subject to inspection. DOH would also be required to conduct at least one annual announced and unannounced inspection of the clinics. Any violation of this act, would subject the pain management clinic to sanctions, including suspension, revocation and nonlicense renewal. Civil penalties, no greater than \$500 per day, and criminal penalties may also be imposed.

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This act would be effective 60 days upon passage.

FISCAL IMPACT: DOH would incur an annual cost of \$194,298 for two additional personnel positions. The additional personnel positions would be needed to implement the registration and inspection requirements set forth under this act. DOH would be permitted to assess a registration and inspection fee to cover the costs of implementing this act. Currently, hospitals and medical facilities that provide pain management services are already licensed by DOH. It is unclear how many facilities throughout the commonwealth fall within the meaning of “pain management clinic” as defined under this act. GBO assumes that DOH’s current licensing complement would cross train to assist in these responsibilities. The administration will consider an adjustment given the Department of Health and Human Services unification as licensing functions would be consolidated.