

*State of Rhode Island and Providence Plantations
 Department of Administration
 Office of Management and Budget*

Fiscal Note for Proposed Administrative Rules (R.I.G.L. § 22-12-1.1)

Name of Administrative Rule: *Fee Structure for Licensing, Laboratory and Administrative Services Provided by the Department of Health (216-RICR-10-05-2)*

FISCAL IMPACT					
<i>State Revenues</i>		<i>State Expenditures</i>		<i>City/Town Expenditures</i>	
FY 2021	\$110,000	FY 2021	\$0	FY 2021	\$0
FY 2022	\$220,000	FY 2022	\$0	FY 2022	\$0
FY 2023	\$220,000	FY 2023	\$0	FY 2023	\$0

Summary of Policy Change: Amends § 2.17 of the *Fee Structure for Licensing, Laboratory and Administrative Services Provided by the Department of Health (216-RICR-10-05-2)* [Fee Structure] to revise the Newborn Screening fee.

Summary of State Fiscal Impact: The Newborn Screening Fee is being revised due to the addition of multiple new conditions to the newborn screening panel. The proposed fee increase will cover the additional laboratory costs for testing the new conditions as well as the follow-up work for inconclusive or positive screenings. The total revenue collected from the newborn screening fees will increase from \$110,000 in fiscal year 2021 to \$220,000 in fiscal year 2022 per year. The revenue amounts include both the newborn screening fee and the newborn hearing test fee as they are bundled services, however only the newborn screening fee is being increased. Pursuant to R.I. General Laws § 23-13-14, there is, within the general fund, a restricted receipt account known as the “newborn screening account.” All funds received from newborn screening fees will be deposited in the account to be utilized by the Rhode Island Department of Health to operate the newborn screening program.

City or Town Impact: Cities/towns would be subject to any applicable fees under the Fee Structure. However, there are currently no cities/towns that conduct newborn screening. Consequently, there are no expected direct costs to cities/towns from these revisions to the Fee Structure.

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Name of Administrative Rule: Fee Structure for Licensing, Laboratory and Administrative Services Provided by the Department of Health (216-RICR-10-05-2)

FISCAL IMPACT					
<i>State Revenues</i>		<i>State Expenditures</i>		<i>City/Town Expenditures</i>	
FY 2020	\$4,387,500	FY 2020	\$0	FY 2020	\$ 0
FY 2021	\$2,193,750	FY 2021	\$0	FY 2021	\$ 0
FY 2022	\$2,193,750	FY 2022	\$0	FY 2022	\$ 0

Summary of Policy Change: Since March 2020, the State Health Laboratories has been providing testing services for the detection of COVID-19, the disease caused by the novel coronavirus, SARS-CoV-2. In addition, testing for antibodies (“Serology testing”) is also available. This fiscal note accompanies the amendment to the regulations, “Fee Structure for Licensing, Laboratory and Administrative Service Provided by the Department of Health (216-RICR-10-05-2)” and would create new fee categories for three testing methods to detect COVID-19.

TEST	CPT CODE	DESCRIPTION	R.I. Gen. Laws	FEE
SARS-CoV-2	87635	Detection of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) by amplified probe High-Throughput Technique	§ 23-1-3(b)	\$55.00
	HCPCS U0004			\$100.00
SARS-CoV-2 serology	86769	Antibody, severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)	§ 23-1-3(b)	\$45

Summary of State Fiscal Impact: State fiscal impact is net zero, as personnel and operating expenses for COVID-19 testing is largely reimbursed by federal Coronavirus Relief funds, FEMA or other federal grants, and therefore any revenue received from testing will be reported as an offset for FEMA and CRF reimbursements via an expenditure credit.

City or Town Impact: It is expected that there will be no city or town fiscal impacts.

Rhode Island Department of Health (“RIDOH”) Fee Structure Regulations Fiscal Note

RIDOH is proposing to revise the Fee Structure for Licensing, Laboratory and Administrative Services Provided by the Department of Health (216-RICR-10-05-2).

The removal of fees regarding barber shops and clinical lab scientists are sourced from statutory de-regulation of those classes of licensure, and therefore are not accounted for in this fiscal note because RIDOH does not have discretion in the elimination of those fees.

The raising of fees regarding the Academic Faculty-Podiatric (limited) license and the Physician Academic Faculty (limited) license are sourced from R.I. Gen. Laws § 23-1-54 and therefore are not accounted for in this fiscal note because RIDOH does not have discretion in determining those fee amounts.

The major categories of revisions to the Fee Structure regulations include:

1. Doctor of Acupuncture and Oriental Medicine/Chinese Herbology: This new class of licensure is a sub-category of the Doctor of Acupuncture and Oriental Medicine (“DAOM”) license. Because the fee for this license is the same as the existing DAOM license, and such licensees are expected to be sourced from the existing pool of DAOM applicants, no additional cost to either the state or regulated licensees is expected.
2. Volunteer Licenses: The new classes of Volunteer licensure for dentists, dental hygienists, allopathic physician, and osteopathic physician, which do not have any fees, are not expected to incur any cost to the state because these classes of licensure did not previously require any fee. This revision is expected to encourage further volunteering on the part of these professions, leading to more access to care for low-income demographics and other vulnerable populations.
3. Dental Anesthesia – Nitrous Oxide: This license type does not incur any fee, and did not previously have a fee, therefore there is no additional cost to either the state or regulated licensees.
4. Public Health Dental Hygienists: This is a new series of fees stemming from the new license type established by R.I. Gen. Laws § 5-31.1-39. There are currently thirty-one (31) actively licensed public health dental hygienists in the state, so the license and renewal fees of \$65.00 are expected to cost licensees a total of **\$2,015.00 per year**. This fee is currently in effect and has no net impact. There are currently no inactive or emeritus licensees for this license type, so the new fees for those licenses, each \$40.00, are not expected to incur additional costs to licensees or the state.
5. Maxillofacial Surgery Dental Assistant: This is a new series of fees stemming from the new license type established by R.I. Gen. Laws § 5-31.1-31. There are currently twenty-four (24) actively licensed maxillofacial surgery dental assistants in the state, so the license and renewal fees of \$40.00 are expected to cost licensees a total of **\$960.00 per year**. This fee is currently in effect and has no net impact. There are currently no inactive or emeritus

licensees for this license type, so the new fees for those licenses, each \$25.00, are not expected to incur additional costs to licensees or the state.

6. Electrologist Apprentice: This license type does not incur any fee, and did not previously have a fee, therefore there is no additional cost to either the state or regulated licensees.
7. Hearing Aid Dealer/Fitter Initial Examination: This fee is being eliminated because RIDOH no longer offers examinations for hearing aid dealers/fitters, therefore there is no additional cost to either the state or regulated licensees.
8. Medical Marijuana Hospice Expedited Initial Application: This new type of license will exempt hospice patients submitting expedited (i.e. urgent/emergent) applications from the \$50.00 medical marijuana patient annual registry identification card fee. RIDOH estimates that fourteen (14) patients will be affected by this fee exemption, for a total cost to the state of **\$700 per year**. This fee is currently in effect and has no net impact. This fee exemption will carry the benefit of lessening the financial burden of medical marijuana fees on hospice patients, lessening the compounding effects of financial insecurity and terminal health diagnoses, and providing such patients ready access to compounds that can lessen their discomfort.
9. Temporary Post Graduate Allopathic Physician: This is a new fee, conditional on the applicant not providing their XDEA number within a specified timeframe. RIDOH expects that one (1) applicants will be affected by this \$545.00 fee, for a total cost to licensees of **\$545.00 per year**. This fee is currently in effect and has no net impact.
10. Temporary Post Graduate Allopathic Physician Controlled Substance Registration (“CSR”): This is a new \$100.00 fee. RIDOH expects (11) licensees to be affected by this fee, for a total cost to licensees of **\$1,100.00 per year**. This fee is currently in effect and has no net impact.
11. Temporary Post Graduate Osteopathic Physician: This is a new \$545.00 fee, conditional on the applicant not providing their XDEA number within a specified timeframe. RIDOH expects (1) license to be affected by this fee for a total cost to licensees of **\$545.00 per year**. This fee is currently in effect and has no net impact.
12. Temporary Post Graduate Osteopathic Physician Controlled Substance Registration (“CSR”): This is a new \$100.00 fee. RIDOH expects one (1) licensee to be affected by this fee, for a total cost to licensees of **\$100.00 per year**. This fee is currently in effect and has no net impact.
13. Physician Hospital Bed Fee: This \$54.50 fee implements the requirement for such stated in R.I. Gen. Laws § 5-37-10(c). RIDOH expects this fee to apply to three thousand three hundred (3,300) licensed beds, for a total cost to licensees of **\$179,850.00 per year** . This fee is currently in effect and has no net impact.

14. Frozen Dessert Retail: This is a defunct license type which RIDOH no longer issues, therefore the elimination of the fee will not incur any additional costs to either the state or licensees.
15. Wall Certificate: This is a new \$30.00 fee for issuance of wall certificates. RIDOH issues four hundred ninety-nine (499) wall certificates in 2019 and estimates that it will issue a similar amount in years to come, for a total cost to licensees of **\$14,970 per year**. This fee is currently in effect and has no net impact. Requests for replacement wall certificates (which cost \$40.00) are expected to be so rare, and to generate such a low amount of costs/revenue for licensees/the state that RIDOH believes such costs can be classified as negligible for the purposes of this analysis.
15. Accordingly, the total net cost to licensees of all the revisions to fees described above will be **\$199,905.00**. As all of these fees are currently in effect, there is no net impact.