

BILL # SB 1104

TITLE: urgent care centers

SPONSOR: Blendu

STATUS: As Introduced

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FISCAL ANALYSIS

Description

The bill eliminates the statutory definition of a freestanding urgent care center (UCC), exempts from licensure UCCs that are considered private offices or clinics, and eliminates the requirement the UCCs report patient deaths and post notices if a physician is on duty during business hours.

Estimated Impact

The bill is estimated to reduce General Fund revenues by approximately \$(1,800) in FY 2007. The decreased revenue would come from annual fees from approximately 12 UCCs that would no longer be required as a result of this legislation. There may also be a small reduction in civil penalty collections.

The Department of Health Services (DHS) estimates the bill to reduce General Fund revenues by \$(1,800).

Analysis

The Division of Licensing Services in DHS licenses and monitors health and child care facilities and providers throughout Arizona. DHS reports that currently the Office of Medical Facilities conducts licensing for over 1,400 medical facilities per year, 106 of which are UCCs. Of the 106 UCCs, 12 are private offices or clinics. Laws 1999, Chapter 333 required DHS to license freestanding UCCs as outpatient treatment centers and removed the exemption from licensure on private offices or clinics classified as a UCC. SB 1104 would again exempt from licensure freestanding UCCs that are private offices and clinics of health care providers.

DHS charges an annual \$50 application fee and a \$100 initial and annual license renewal fee for UCCs. These facilities generate revenues of approximately \$1,800 from licensing fees annually (12 facilities @ \$150 annually). In addition to licensing fees, DHS also collects civil penalties for facilities that are not following licensing regulations. In 2005, \$2,900 in civil penalties were collected from private offices or clinics. However, in 2003 and 2004, no civil penalties were collected. Revenues generated from civil penalty collections are sporadic, therefore the JLBC estimate does not include these possible collections. However, this bill would reduce possible civil penalty collections in the future. All licensing fees and monies collected from civil penalties are deposited into the General Fund.

The impact on employee workload would be negligible due to the small number of private UCCs which are currently licensed by DHS. Currently there are 32 FTEs which work in the Office of Medical Facilities, 20 of which are surveyors who regulate the 1,400 medical facilities. Decreasing the workload by a total of 12 facilities (less than 1%) makes little difference in the facility-to-surveyor ratio, which is currently 70.

Local Government Impact

None