

*****NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: Senate Bill 9

SHORT TITLE: Hospital Cooperation Act

SPONSOR(S): Senators Daniel, Perdue, Tally, and Seymour

FISCAL IMPACT: Expenditures: Increase () Decrease ()
 Revenues: Increase (x) Decrease ()
 No Impact (x)
 No Estimate Available ()

note: The bill provides for application fees of up to \$15,000.

FUND AFFECTED: General Fund () Highway Fund () Local Govt. ()
 Other Funds ()

BILL SUMMARY: Authorizing hospitals to share patients, personnel, services and facilities without fear of violating state or federal antitrust laws if they obtain a certificate of public advantage from DHR. The application process involves the Attorney General's Office and DHR. There is an extensive review and monitoring requirement for both agencies. Specifies that administrative fee for application is based on total costs of project, with \$15,000 maximum. Sets maximum fee for periodic reports at \$2,500.

EFFECTIVE DATE: October 1, 1993.

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED: Department of Human Resources and the Attorney General's Office

FISCAL IMPACT

	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>	
	<u>FY</u>				
	93-94	94-95	95-96	96-97	97-98
REVENUES:					
GENERAL FUND					
HIGHWAY FUND					
HIGHWAY TRUST FUND					
LOCAL					
EXPENDITURES	-0-	-0-	-0-	-0-	-0-

POSITIONS:

ASSUMPTIONS AND METHODOLOGY: The Department of Human Resources and the Attorney General's Office have indicated that no additional funding is

required to comply with the provisions of the proposed legislation. DHR can not anticipate the number or kind of applications they might receive. The Department proposes to have each applicant pay the maximum \$15,000 fee at the time of application. The Department would then track employee time and other resources used to provide for the review of the application. Following completion of the review the total cost would be deducted from the \$15,000 fee to reimburse DHR and the AG's Office. The funds remaining would be refunded to the applicant. The AG's Office has indicated that implementation of SB 9 may reduce or possibly eliminate litigation.

SOURCES OF DATA: DHR and AG'S Office

TECHNICAL CONSIDERATIONS:

FISCAL RESEARCH DIVISION

733-4910

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APPROVED BY: THOMAS L. COVINGTON **TOMC**

DATE: May 11, 1993



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