## Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

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ORIGINAL

Bill Number:HB 1787Patron:OrrockBill Title:Health and Human Resources, Secretary of; review of informed consent for surgeries, report

**Bill Summary:** The proposed legislation directs the Secretary of Health and Human Resources, in consultation with the Department of Health Professions (DHP), to review every five years hospitals' procedures for obtaining informed consent for surgeries and requires the Secretary to provide a report on the review to the General Assembly.

Budget Amendment Necessary: Yes Items Impacted: 267

**Fiscal Summary:** The proposed legislation will require expenditures for which the agency is not currently appropriated. See table and fiscal analysis below.

## **General Fund Expenditure Impact:**

Agency	FY2025	<u>FY2026</u>	FY2027	FY2028	FY2029	FY2030
OSHHR (188)	-	\$285,000	-	-	-	-

**Fiscal Analysis:** The bill requires a review of all informed consent procedures, forms, and processes for hospitals that perform surgeries. There are more than 150 inpatient hospitals and outpatient surgical hospitals located throughout Virginia. DHP reports that different informed consent procedures may be used by hospitals and an extensive review of thousands of documents will be necessary to meet the bill's provisions. The department estimates that it will take approximately 3,000 work hours to perform the appropriate review and produce the report. Moreover, based on the complexity of the work, DHP indicates that any reviewer must have the appropriate background and knowledge. It is assumed that a medical consultant would have the necessary skillset to perform the informed consent reviews. A review of medical consultant costs indicates that the hourly rate for such professionals can range from \$75 to more than \$500 per hour.

The Office of the Secretary of Health and Human Resources (OSHHR) does not have the resources or expertise necessary to carry out the provisions of this bill. As such it is assumed that OSHHR would have to contract with an external entity to perform the required review and provide the associated report. Assuming that the review and report would take approximately 3,000 work hours and a medical consultant can be procured for \$95 per hour the cost of producing the bill's deliverables would be approximately \$285,000.

The bill requires that a review of all informed consent be conducted every five years. It is unclear when the first report would be expected. For the purposes of this statement, it is assumed the first review would occur in FY 2026. As such, OSHHR would need \$285,000 general fund in FY 2026. This funding could be removed in FY 2027 until needed again in FY 2031.

## Other: None