



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [H.B. 392 of the 130th G.A.](#)

Date: January 29, 2014

Status: As Introduced

Sponsor: Reps. Stinziano and Rosenberger

Local Impact Statement Procedure Required: No

Contents: Qualified immunity for offenses involving underage alcohol possession or consumption

State Fiscal Highlights

- **Medicaid Program.** It is possible that additional persons will receive treatment for alcohol-related medical emergencies as a result of the bill. If any of these persons are enrolled on Medicaid, then the program could experience an indirect increase in costs for treatment relating to the actual medical emergency and also possibly for substance abuse treatment if the persons seek such treatment after release from the hospital. According to the Ohio Department of Medicaid, the increase is expected to be minimal annually.

Local Fiscal Highlights

- **Criminal and juvenile justice systems.** There may be a slight reduction in the number of persons prosecuted and sanctioned for an underage alcohol possession or consumption offense as a result of the bill, creating a potential expenditure savings and related revenue loss for counties and municipalities with jurisdiction over such matters. The net annual fiscal effect will be minimal.
- **Government-owned hospitals.** It is possible that additional persons will receive treatment in government-owned hospitals for alcohol-related medical emergencies as a result of the bill. Thus, these hospitals could realize an indirect increase in treatment costs. It is also possible that some reimbursements or payments could be received for persons with insurance coverage or those enrolled in the Medicaid Program.

Detailed Fiscal Analysis

The bill provides persons under 21 years of age with a qualified immunity from prosecution for offenses involving underage alcohol possession or consumption if law enforcement personnel become aware of the offense solely because the person sought or obtained medical assistance, solely because another individual sought or obtained medical assistance for the person, or because the person requested law enforcement assistance to report a criminal offense, prevent a possible criminal offense, or requested the investigation of a criminal offense.

Direct fiscal effects

Local criminal and juvenile justice systems

The bill's immunity provision may reduce the number of persons, who as a result of seeking medical assistance, might otherwise have been arrested, charged, prosecuted, and sanctioned for an underage alcohol possession or consumption offense. For counties and municipalities with jurisdiction over such matters, this could mean some decrease in cases requiring adjudication, thus creating a potential expenditure savings and related revenue loss (fines and court costs generally assessed an offender by the court). Anecdotal information suggests the number of instances in which a person is, under current law and practice, prosecuted subsequent to seeking medical assistance is relatively small, especially in the context of the total number of criminal and juvenile cases handled by counties and municipalities annually. Thus, net annual fiscal effect of any expenditure savings and revenue loss is likely to be minimal. For the state, there may be a related negligible annual loss in court costs that might otherwise have been collected for deposit in the state treasury and divided between the Indigent Defense Support Fund (Fund 5DY0) and the Victims of Crime/Reparations Fund (Fund 4020).

Indirect fiscal effects

Besides the direct costs discussed above, there could be indirect costs to both state and local governments associated with the bill's provisions. These indirect costs are detailed below.

Government-owned hospitals and the Medicaid Program

As a result of the bill, it is possible that additional persons will receive treatment in public hospitals for alcohol-related medical emergencies. Thus, government-owned hospitals could indirectly realize an increase in treatment costs. The increase would depend on the number of persons receiving treatment, the services rendered, and the insurance status of the person. Government-owned hospitals might receive reimbursements or payments for persons that have insurance coverage or are enrolled on the Medicaid Program. Additionally, it is possible that some persons receiving treatment will be eligible for Medicaid at the time treatment was rendered, but not

actually enrolled onto the program. If such is the case, those persons could be enrolled into Medicaid and the program could retroactively pay for treatments rendered in the three months prior to enrollment. Thus, the Medicaid Program could also experience an indirect increase in costs for treatment relating to the medical emergency and possibly for substance abuse treatment if the person seeks such treatment after release from the hospital. According to the Ohio Department of Medicaid, any increase is expected to be minimal annually. Typically, under the Medicaid Program, the federal government reimburses the state for approximately 64% of medical service costs. However, the federal government will pay 100% (amount decreases after 2016 and remains at 90% for 2020 and subsequent years) of medical service costs for those persons found eligible under the Medicaid expansion created under the Patient Protection and Affordable Care Act.

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