

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5622-01
Bill No.: SB 817
Subject: Health, Public; Department of Health
Type: Original
Date: March 19, 2014

Bill Summary: This proposal establishes the Missouri Immunization Registry.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(Unknown greater than \$847,772)	(\$103,215)	(\$104,392)
Total Estimated Net Effect on General Revenue Fund	(Unknown greater than \$847,772)	(\$103,215)	(\$104,392)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	2	2	2
Total Estimated Net Effect on FTE	2	2	2

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§192.073 - Immunization registry:

Officials from the **Department of Health and Senior Services (DHSS)** state the proposed legislation mandates the use of Missouri's Immunization Registry (Show-Me Vax) by immunization providers throughout the state.

Currently, there is no system to provide the actual number of immunization providers in Missouri. DHSS estimates that there over 2,000 facilities providing immunizations in Missouri. Of the over 2,000 facilities, nearly 450 are entering vaccination records directly into the web-based Show-Me Vax, approximately 231 are currently submitting immunization data electronically, and an additional 212 are being tested and set to begin submitting immunization data electronically through standardized Health Level Seven (HL7) messaging. Based on this data, DHSS estimates that around 1,000 facilities would need to arrange for an electronic transfer of data.

Although not outlined in the proposed legislation, DHSS assumes it will be responsible for the notification, process user agreements, tracking and data transfer requirements role in implementation. Additional staff will be necessary to carry out the new program responsibilities. It is assumed that two FTE (Health Program Representative, \$30,668 annually) are required to perform the additional program activities.

The Health Program Representatives I will notify providers of requirements, process user agreements, provide technical assistance to providers, promulgate rules and regulations, create enforcement procedures, and coordinate with Department of Insurance, Finance and Professional Registration on violations.

Two Information Technology (IT) staff will be needed to test the standardized Health Level Seven transmissions to ensure federal, state, and departmental security and confidentiality is maintained, work with electronic health records vendors and providers to implement data transmissions once testing has completed, and assist providers who are not able to comply by March 31, 2015.

The costs associated with IT supporting providers in the submission of data is unknown at this time; however, the Office of Administration (OA) - Information Technology Services Division (ITSD) estimates the costs to exceed \$750,000 to acquire IT consultants to work with immunization providers and their vendors to validate and establish ongoing data submission of immunizations administered to the immunization registry. The IT consultant work would be necessary in FY15 in order to meet compliance dates in legislation.

ASSUMPTION (continued)

In addition, OA-ITSD/DHSS estimates the following staffing needs:

Information Technology Specialist II (\$57,164 annually) to provide project management for the project at .50 FTE in FY15 and FY16, and at .25 FTE ongoing.

Information Technology Specialist I (\$48,632 annually) to provide business analysis and technical support services for the project at .50 FTE in FY15 and FY16, and at .25 FTE ongoing.

Oversight assumes existing ITSD staff can absorb the additional duties requested in this proposal. After the first two years of implementation, requiring two part-time FTE, only 0.25 FTE Information Technology Specialist I and II are going to be needed. As a result, Oversight assumes DHSS will not need additional rental space for the additional 2 FTE Health Program Representatives 1.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state this proposal may create an increase in provider investigations and discipline cases. The DIFP believes it can absorb the potential increase in discipline cases and the additional workload that may result from an increase in provider investigations. However, should the extent of the work be more than anticipated, the DIFP would request additional appropriation and/or FTE through the budget process.

Officials from the **Office of Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes this is a small amount and does not expect that additional funding would be required to meet these costs. However, it is also recognized that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Department of Social Services** and the **Columbia/Boone County Department of Public Health and Human Services** assume the proposal would not fiscally impact their organizations.

ASSUMPTION (continued)

Officials from the **Department of Elementary and Secondary Education (DESE)** state there is no anticipated state cost to the foundation formula associated with this proposal. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to school districts increases the deduction in the foundation formula the following year. Therefore, the affected districts will see an equal decrease in the amount of funding received through the formula the following year unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula.

Oversight assumes any increase or decrease in fine or penalty revenues generated cannot be determined. Therefore, the fiscal note does not reflect any fine or penalty revenues for the local school districts.

Officials from the at the following **health departments**: Audrain County Health Unit, Cass County Health Department, Harrison County Health Department, Henry County Health Center, Jefferson County Health Department, Linn County Health Department, Madison County Health Department, McDonald County Health Department, Miller County Health Center, Morgan County Health Center, Nodaway County Health Center, Platte County Health Department, Randolph County Health Department, Reynolds County Health Center, Ripley County Health Center, Shelby County Health Department, St Francois County Health Center and the Tri-County Health Department did not respond to **Oversight's** request for fiscal impact.

Officials from the following **hospitals**: Barton County Memorial Hospital, Bates County Memorial Hospital, Cedar County Memorial Hospital, Cooper County Hospital, Excelsior Springs Medical Center, Putnam County Memorial Hospital, and Washington County Memorial Hospital did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE FUND			
<u>Costs - DHHS (\$192.073)</u>			
Personal service	(\$51,113)	(\$61,949)	(\$62,569)
Fringe benefits	(\$26,070)	(\$31,597)	(\$31,913)
Equipment and expense	(\$20,589)	(\$9,669)	(\$9,910)
ITSD consultants	<u>(Unknown greater than \$750,000)</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Cost</u> - DHSS	<u>(Unknown greater than \$847,772)</u>	<u>(\$103,215)</u>	<u>(\$104,392)</u>
Net FTE Change - DHSS	2 FTE	2FTE	2 FTE

ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(Unknown greater than \$847,772)</u>	<u>(\$103,215)</u>	<u>(\$104,392)</u>
Estimated Net FTE Change on the General Revenue Fund	2 FTE	2 FTE	2 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal will have a direct negative fiscal impact on some small business healthcare providers as it will require transmission of electronic data to the immunization registry and providers will need to have electronic health records.

FISCAL DESCRIPTION

Beginning January 1, 2015, this proposal requires every immunization provider to submit all vaccination records of adults and children in Missouri to the Missouri Immunization Registry established and maintained by the Department of Health and Senior Services as part of the

FISCAL DESCRIPTION (continued)

Missouri Immunization Program. The registry must provide protected access to all immunization providers and other authorized persons or entities seeking vaccination records from the registry. Immunization records must not be included in the registry if an adult, a parent of a minor child, or a legal guardian of a minor child or adult completes an immunization registry opt-out form in accordance with rules promulgated by the Department of Health and Senior Services.

The department must promulgate rules regarding the requirements and manner for submission of vaccination records by immunizations providers, including the ability of providers to update and amend vaccination records. Immunization providers must be the only registry users authorized to submit, update, and amend vaccination records in the registry and all other registry users must have read-only access to the records in the registry.

The registry must be maintained to ensure access to immunization providers, other states, and other authorized users. The proposal requires an immunization provider who is unable to electronically provide immunization data to the immunization registry by January 1, 2015, to submit a detailed plan for compliance with the requirements to the department no later than March 31, 2015. The department must assist the provider so the provider is able to electronically provide immunization data in a reasonable amount of time. An immunization provider or other licensed or certified authorized user must be subject to sanction of his or her license or certificate for any violation of the provisions of the proposal. Any person who violates this section must be subject to any applicable civil actions or penalties for damages resulting from the violation.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Insurance, Financial Institutions and Professional Registration
Department of Health and Senior Services
Department of Social Services
Joint Commission on Administrative Rules
Office of Secretary of State
Columbia/Boone County Department of
Public Health and Human Services



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