

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0758-01
Bill No.: HB 894
Subject: Requires the Bureau of Cancer Control to provide educational literature on prostate cancer to all males age fifty or older.
Type: Original
Date: April 4, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$4,072,193)	(\$4,709,301)	(\$4,746,870)
Total Estimated Net Effect on <u>All</u> State Funds	(\$4,072,193)	(\$4,709,301)	(\$4,746,870)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services** stated the proposed legislation will not fiscally impact their organization.

Officials from the **Department of Health (DOH)** stated the U.S. Census 1999 estimate for males age 50 years or older in Missouri is 666,005. An assumption is that men with health insurance would not need to be factored into the costs for exams. Additional U.S. Census data for 1999 indicate 32.2% of men aged 50+ were without health insurance for the entire year. This comes to be 214,454 men. The Ellis Fischel State Cancer Center charges \$78.50 for a prostate specific antigen test (PSA) and digital rectal exam (DRE). This equates to a cost of \$16,834,639 ($\$78.50 \times 214,454$). The U.S. Census estimated a 6% increase in Missouri population from 1990 to 1999. This averages to a 0.67% increase each year. Thus, if the cost of the exam remains constant, the total cost for exams is expected to be \$16,947,431 for FY 03 and \$17,060,978 for FY 04. Printing of literature for all men age 50+ is estimated at 10 cents per item for a cost in the first year of \$66,600 ($666,005 \times \0.10). An additional 28,000 items would be printed in each subsequent year at a cost of \$2,800 per year. Mailing of literature at bulk rate is 18.7 cents per item. However, shipping/mailing will be to hospitals, local public health agencies and to the Department of Elementary and Secondary Education (DES). Therefore, the first year postage is estimated at \$33,400. Subsequent years will have about 28,000 additional men turning age 50; therefore, shipping and mailing costs are estimated to be \$5,236 annually ($28,000 \times 18.7$ cents). Total printing and shipping/mailing for subsequent years is estimated to be \$8,036 ($\$2,800 + \$5,236$). The DOH is rounding up the printing and shipping/mailing costs to \$10,000.

Printing of a single 8-1/2" X 11" double-sided sheet of paper will be 10 cents if printed in quantity. For sufficient coverage 1,000,000 copies will be anticipated at a cost of \$100,000 ($\$66,600$ printing + $\$33,400$ shipping) for the first year.

The staffing requirements will be similar to the Breast and Cervical Cancer Control Program (BCCCP) unit already located within the Division of Chronic Disease Prevention and Health Promotion. The work processes to support this bill closely compare to activities currently done in the BCCCP. The BCCCP was used as a basis to determine the number and nature of the FTE required. **Registered Nurse IV** will provide consultation for screening practices and methodologies; provide health review of screening records; develop educational materials to be distributed to the local health departments, hospitals, and DES; and coordinate programmatic issues with other outside organizations.

Health Program Rep 1 will schedule appointments and staff the mobile outreach unit; provide educational materials to local health departments, hospitals and DES; and will make educational presentations and provide responses to questions about prostate cancer with concerned men.

ASSUMPTION (continued)

Management Analysis Specialist II will be responsible for the financial, budget and tracking processes of the program, review and approve the invoices from the providers, and provide supervision of the Clerk Typist IIs and Clerk II.

2 Clerk Typist IIs will provide clerical support for the Registered Nurse IV, Health Program Representative, MAS II and others in the unit; and will assist in the invoice process.

Clerk II will do the data entry and eligibility invoices received from the providers, and other invoice processing duties as needed.

Oversight assumes, based on information provided by the DOH for the Breast and Cervical Cancer Control Program (BCCCCP) and that the DOH is to provide educational literature on prostate cancer to all males fifty years of age or older, that approximately 25% of eligible men will participate in the program. Therefore, Oversight assumes Local Assistance costs (exam costs) will be \$3,630,691 for FY 02 (10 months); \$4,386,020 for FY 03; and \$4,415,406.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
---	---------------------	---------	---------

GENERAL REVENUE

Costs - Department of Health

Personal Services (6 FTE)	(\$148,246)	(\$182,342)	(\$186,901)
Fringe Benefits	(\$49,410)	(\$60,775)	(\$62,294)
Equipment and Expenses	(\$243,846)	(\$80,164)	(\$82,269)
Local Assistance	<u>(\$3,630,691)</u>	<u>(\$4,386,020)</u>	<u>(\$4,415,406)</u>
Total <u>Costs</u> - Department of Health	<u>(\$4,072,193)</u>	<u>(\$4,709,301)</u>	<u>(\$4,746,870)</u>

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$4,072,193)</u>	<u>(\$4,709,301)</u>	<u>(\$4,746,870)</u>
---	-----------------------------	-----------------------------	-----------------------------

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This bill requires the Bureau of Cancer Control in the Department of Health to provide educational literature on the prevention of prostate cancer and perform early prostate screening and testing for men 50 years of age and older.

The bureau is required to perform the testing with an emphasis on men in high risk areas and to coordinate prostate screening and testing efforts with local health departments.

The bureau is required to develop educational materials which strongly recommend that men receive complete screenings in accordance with the current American Cancer Society guidelines. The bill contains provisions pertaining to the content and distribution of the educational material.

The department, in conjunction with the Breast and Cervical Cancer Screening Project, is required to staff a mobile unit for outreach and screening efforts in high risk urban and rural areas of Missouri.

This legislation is not federally mandated and would not duplicate any other program.

SOURCES OF INFORMATION

Department of Health
Department of Social Services



Jeanne Jarrett, CPA
Director

April 4, 2001