

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1471-01
Bill No.: SB 397
Subject: Funerals and Funeral Directors; Health Department; Physicians; Vital Statistics
Type: Original
Date: February 24, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Missouri Public Health Services Fund	\$116,667	(\$77,004)	(\$1,764)
Total Estimated Net Effect on General Revenue Fund	\$116,667	(\$77,004)	(\$1,764)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$1,325,000	\$1,590,000	\$1,590,000

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Secretary of State**, the **Department of Economic Development - Division of Professional Registration**, the **Department of Revenue**, the **Department of Social Services**, and the **Green County Medical Examiner** assume this proposal would not fiscally impact their agencies.

Officials from the **Department of Health and Senior Services (DOH)** state that this proposal allows electronic creation and access to birth and death records. DOH states this would result in more timely and efficient registration and copy issuance process of birth and death records.

Based on 2002 birth and death certified and research copies, DOH estimates income of approximately \$380,000 per year from an average range of 126,600 - 127,800 records per year multiplied by \$3 fee that would go to the Missouri Public Health Services Fund. This proposal would make 90 year old birth records and 50 year old death records available. DOH estimates that DOH will have to scan and index over 2,000,000 birth and death records by December 31, 2008 and would request one Office Support assistant to do these activities. Duties would include document preparation, data organization, scanning, indexing, storage, retrieval of paper files, labeling paper files, reviewing documents for completeness, accuracy, and consistency.

ASSUMPTION (continued)

The DOH would need to purchase web-based software for processing birth and death records. DOH estimates this software will cost approximately \$1,000,000 and will be paid for over a period of 5 years.

The system will be modified to conform to the state's e-Government standards. The DOH would use a document imaging system, which was purchased for Senior Services applications, for entering and storing images of the vital records documents. However, additional storage for the document imaging system and additional scanners will be needed. Prior to implementing the web-based system, the DOH will need to purchase a database server to store the birth and death records. A Program manager will be required to design the system, monitor the contractor, plan the implementation, oversee the conversion of data from the existing system, and provide on-going support for the system after implementation. In addition, a Computer Information Technologist III will be needed to maintain and enhance the system once the contractor has turned it over to the state.

DOH assumes the excess balance in this fund can carry over to the next year for future expenditures.

The DOH assumes the Project manager will be hired in the second year, and the Office Support Assistant and Computer Information Technician will be hired in year three. An additional Office Support Assistant will be hired in the fourth year to continue scanning and indexing records. Due to the cost of this project and the time frame involved, the DOH will have minimal expenditures in the first year.

Local public health agencies will have an increase in revenue. Based on an estimate of 530,000 records issued annually, local public health agencies will show an increase in revenue of \$1,325,000 in the first year and approximately \$1,590,000 in subsequent years.

Officials from the **St. Louis County Medical Examiner** assume there would be costs to initiate electronic filing of death certificates.

Oversight assumes the electronic submission of records is not required therefore, Oversight assumes no fiscal impact for the St. Louis County Medical Examiner.

Officials from St. Louis City Medical Examiner, the Boone County Medical Examiner, Callaway County Medical Examiner, ST. Louis City health Department, Boone County Health Department, Cole County Health Department, Greene County Health Department,

and Callaway County Health Department did not respond to our fiscal note request.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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MISSOURI PUBLIC HEALTH SERVICES FUND

Income - Department of Health and Senior Services

Vital record fee	\$316,667	\$380,000	\$380,000
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Costs - Department of Health and Senior Services

Personal Service (3 FTE)	\$0	(\$21,830)	(\$84,463)
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Fringe Benefits	\$0	(\$8,835)	(\$34,182)
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Expense and Equipment	(\$200,000)	(\$426,339)	(\$263,119)
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Total <u>Costs</u> - Department of Health and Senior Services	(\$200,000)	(\$457,004)	(\$381,764)
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ESTIMATED NET EFFECT ON MISSOURI PUBLIC HEALTH SERVICES FUND

	<u>\$116,667</u>	<u>(\$77,004)</u>	<u>(\$1,764)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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LOCAL FUNDS

Income - Local public health agencies

Vital Records fees	\$1,325,000	\$1,590,000	\$1,590,000
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ESTIMATED NET EFFECT ON LOCAL FUNDS

	<u>\$1,325,000</u>	<u>\$1,590,000</u>	<u>\$1,590,000</u>
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FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal allows for the electronic submission of birth and death records by physicians, hospitals, and funeral homes. Reproductions of vital records must be of durable material, must accurately reproduce the original records, and must be retained in accordance with the standards of the State Records Commission. Birth records over 90 years old and death records over 50 years old will be available on the Department of Health and Senior Services's website by December 31, 2008.

This proposal increases the fee for copies of vital records from \$10 to \$13 dollars. For every vital record fee collected, \$3 dollars will be credited to the Missouri Public Health Services Fund to be used for automating the Missouri's vital records system and developing and maintaining an Internet birth and death registration system. The Internet birth and death registration system will be implemented no later than December 31, 2007.

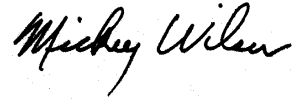
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Social Services
Department of Economic Development -
Division of Professional Registration
Secretary of State
Department of Revenue

NOT RESPONDING: St. Louis City Medical Examiner, the Boone County Medical Examiner, Callaway County Medical Examiner, S. Louis City Health Department, Boone County Health Department, Cole County Health Department, Greene County Health Department, and Callaway County Health Department

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A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large, prominent initial "M".

Mickey Wilson, CPA
Director
February 24, 2003