

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5232-01
Bill No.: SB 1044
Subject: Department of Health and Senior Services; Health Care Professionals; Health, Public; Hospitals
Type: Original
Date: April 12, 2010

Bill Summary: This legislation requires the Department of Health and Senior Services to solicit bids for establishing a consumer health information website.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	(\$81,503)	(\$89,376)	(\$92,055)
Total Estimated Net Effect on General Revenue Fund	(\$81,503)	(\$89,376)	(\$92,055)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

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 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 192.340:

Officials from the **Department of Conservation, Missouri Consolidated Health Care Plan, Department of Highways and Transportation, Department of Insurance, Financial Institutions and Professional Registration** and the **Office of Administration-Administrative Hearing Commission** each assume the proposal would have no fiscal impact on their respective agencies.

Officials from the **Department of Mental Health (DMH)** assume while such a portal or website would benefit the DMH, nothing in this legislation appears to create a fiscal impact for the DMH - neither the bid process described in the legislation nor the product developed as a result.

Officials from the **Department of Social Services (DSS)** assume there is no cost to the DSS. The creation of the health information portal is the responsibility of the Department of Health and Senior Services (DHSS). The portal may include data from other state agencies; however, the portal is limited to "currently collected" data. Therefore, it does not require DHSS or any other state agency, including DSS, to collect any additional data than they are already collecting.

Officials from the **Department of Health and Senior Services (DHSS)** assumes DHSS would need an additional FTE to develop this complex and work intensive request for proposal (RFP). All publicly available health care outcome data currently collected by DHSS or any state or federal agency, including outcome data submitted to the federal Centers for Medicare and Medicaid would need to be identified. This would take a great deal of time and coordination with various agencies. Details would need to be obtained on how the data are submitted, analyzed, and reported out by the various state and federal entities in order to develop an effective RFP. It also would be necessary to work with the DHSS, Office of General Counsel to review statutory and regulatory authority that governs all data sharing. In addition to the development of the RFP and evaluation process, DHSS staff will be needed for on-going contract monitoring and oversight to assure contract deliverables are met.

For fiscal note purposes, DHSS estimates the need for a Program Coordinator – One FTE (\$47,184; A30, Step A). The program coordinator will have the overall responsibility for developing the RFP. The coordinator will be responsible to contact and coordinate with all state and federal agencies to determine what outcomes data are currently publicly reported, how those data are submitted to the agencies, analyzed and displayed. Should the contract be awarded, the coordinator would be responsible for assuring DHSS staff provide the identified data sets

ASSUMPTION (continued)

available to the vendor, as well as updates. In addition to the development of the RFP and evaluation process, the coordinator will be responsible for on-going contract monitoring and oversight to assure contract deliverables are met.

DHSS' costs to support the portal, apart from the costs to develop the RFP and monitor the award, is unknown until the RFP is written and the public data sets are identified. DHSS is unable to determine the classification or the number of the FTE that could be needed at this time to handle these tasks. Therefore for fiscal note purposes, there is an unknown costs.

Office of Administration, Information Technology Services Division (ITSD) will need to assist the DHSS to create a request for proposal for the establishment of a consumer health information portal. ITSD assistance will be needed to write RFP guidelines for the collection, compilation, coordination, analyses, indexation, dissemination, and utilization of publicly available outcome health care data currently collected by the DHSS or any state or federal agency, including outcome data submitted to the federal Centers for Medicare and Medicaid Services. This will be a one-time cost to develop. ITSD first year costs: 100 work hours x \$69.00 per hour = \$6,900.

Oversight assumes the DHSS could absorb the additional cost of support and caseload that may result from this proposal within existing resources. Oversight assumes, because the cost of support and increase in caseload is speculative, that DHSS will not incur unknown significant cost related to this proposal. Oversight assumes any significant increase in the workload of the DHSS would be reflected in future budget request.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
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GENERAL REVENUE FUND

Costs - Department of Health and Senior Services

Personal Service	(\$40,500)	(\$50,058)	(\$51,559)
Fringe Benefits	(\$21,238)	(\$26,250)	(\$27,038)
Equipment and Expense	(\$12,865)	(\$13,068)	(\$13,458)
Consultant/Contractor Cost	<u>(\$6,900)</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Costs - DHSS</u>	<u>(\$81,503)</u>	<u>(\$89,376)</u>	<u>(\$92,055)</u>
FTE Change - DHSS	1 FTE	1 FTE	1 FTE

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$81,503)</u>	<u>(\$89,376)</u>	<u>(\$92,055)</u>
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Estimated Net FTE Change for General Revenue Fund	1 FTE	1 FTE	1 FTE
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<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<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.

FISCAL DESCRIPTION

Section 192.340:

The proposed legislation requires the Department of Health and Senior Services to create a request for proposal for the establishment of a consumer health information portal. Such portal shall be designated as the official cost and quality health data website for the state. The legislation lists the items to be included in the response to the request for proposal, which shall include a plan to:

FISCAL DESCRIPTION (continued)

-Collect, compile, coordinate, analyze, index, disseminate, and utilize publicly available non-protected health care data currently collected by the Department or any state or federal agency, including outcome data submitted to the federal Centers for Medicare and Medicaid Services;

-Establish a website that enhances informed decision making among consumers and health care purchasers, which shall include at a minimum, appropriate guidance on how to use the data and an explanation of why the data may vary from provider to provider; and

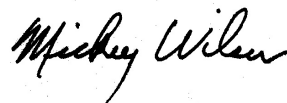
-Launch the website for consumer use by March 15, 2011.

The competitive bid shall be at no cost to the state with the vendor benefitting from being named the sole provider of the information for the state sponsored website for the negotiated number of years. The bid process shall close by November 15, 2010, and a vendor chosen by December 31, 2010.

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 Insurance, Financial Institutions and Professional Registration
Office of Administration-Administrative Hearing Commission
Department of Mental Health
Department of Health and Senior Services
Department of Social Services
Department of Conservation
Missouri Consolidated Health Care Plan
Department of Highways and Transportation



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