

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1367-01
Bill No.: SB 244
Subject: Vital Statistics
Type: Original
Date: March 19, 2013

Bill Summary: This proposal modifies provisions relating to the registering and issuance of death certificates.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	(\$89,988) or (\$128,110)	(\$95,495) or (\$133,617)	(\$96,449) or (\$134,571)
Total Estimated Net Effect on General Revenue Fund	(\$89,988) or (\$128,110)	(\$95,495) or (\$133,617)	(\$96,449) or (\$134,571)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Federal	\$0 or (\$38,122)	\$0 or (\$38,122)	\$0 or (\$38,122)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0 or (\$38,122)	\$0 or (\$38,122)	\$0 or (\$38,122)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	2 FTE	2 FTE	2 FTE
Total Estimated Net Effect on FTE	2 FTE	2 FTE	2 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 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DHSS)** provide the following assumptions:

Section 193.145.1 - Filing of paper death certificates:

The proposed legislation would allow funeral directors to file a paper death certificate instead of using the electronic registration system. Either the local registrar or the state registrar would have to enter the information from the paper death certificate into the electronic registration system. For fiscal note purposes, the Bureau of Vital Records (BVR) estimated that the percentage of funeral establishments using the electronic death registration system would drop from 99 percent to 50 percent, resulting in approximately 1,700 additional paper records that would have to be entered by the local or the state registrar staff per month (1,700 x 12 months = 20,400 records annually).

Currently, local registrars do not have access to the electronic system and are not trained to use the system. There are 115 local registrar jurisdictions. DHSS estimates that 25 percent would choose to enter the information and that 30 agencies would require access and need to be trained to perform data entry. With the increased number of system users, an additional Information Support Coordinator position (1 FTE at \$28,212) would be needed to process access requests for local registrar staff and provide training. Local registrar staff would be required to attend training in Jefferson City so hands-on training could be provided. This position would also be responsible to provide ongoing help-desk troubleshooting over the telephone for local registrar users of the system. The remaining 85 local public health agencies would choose to forward the information to BVR for data entry.

The BVR will also have to increase quality assurance of the records entered by local registrar staff to ensure accuracy and completeness of information. The difficulty of medical terminology and interpreting hand-written certificates could result in errors that may impact the validity of the record, reporting of deaths of public health significance, and local, state, and national statistical data. Paper death certificates will have to be reviewed, numbered, sequenced, and entered into the system once they reach the state office. These duties would be performed by an additional Senior Office Support Assistant (1 FTE at \$25,068). This position would be responsible for reviewing paper death certificates for completeness, accuracy, and acceptability according to Missouri statutes and rules governing registration of death certificates. If information is missing, incomplete, or inaccurate, this position would be responsible for preparing correspondence to the funeral director or medical certifier to obtain additional information. Based on responses from

ASSUMPTION (continued)

the data provider, this position would make corrections or amendments to the record. This position would perform moderate to difficult clerical and technical functions involving a significant amount of public contact.

Currently the National Center for Health Statistics (NCHS) and the Social Security Administration (SSA) contracts with DHSS to provide death record information. The contract deliverables include specific provisions related to timeliness, completeness and accuracy of death record submissions. A portion of the DHSS reimbursement is directly tied to these measures. DHSS receives approximately \$163,608 from the National Center for Health Statistics (NCHS) and \$79,531 from the Social Security Administration (SSA). DHSS estimates the proposed legislation could reduce the amount from NCHS by \$32,722 and the amount from SSA by \$5,400 due to decreases in timeliness, completeness, and accuracy of death records anticipated through paper submissions. In order to maintain current operations, state funding would be required to replace lost federal funding.

The DHSS assumes this proposal would result in additional costs to the General Revenue (GR) fund of \$132,610 for FY 14; \$139,071 for FY 15; and \$140,080 for FY 16. There would also be a net loss of federal funds each year of \$38,122.

Oversight assumes the DHSS does not need rental space for only two additional FTE and has taken that cost out of the DHSS' assumption. Oversight notes the DHSS states it is possible they may lose federal funding due to decreases in timeliness, completeness and accuracy of death records due to inputting data from paper submissions. As a result, Oversight will reflect the potential loss of federal funding as \$0 or the estimate provided by DHSS for fiscal note purposes.

Officials from the **Columbia/Boone County Department of Public Health and Human Services (DPHHS)** state the proposal will have a negative fiscal impact on their organization if they are required to enter the information into the computer system. It is anticipated FY 14 expenditures will be \$26,154 (\$21,965 salary and benefits for a half FTE Administrative Support staff for data entry; \$1,288 computer and software costs; and \$2,901 in City information technology (IT) fees for network access and computer replacement plan); FY 15 expenditures are estimated at \$25,964 (personnel costs plus 5% adjustment for inflation and IT costs for network access and support).

The DPHHS notes that if the Department of Health and Senior Services continues to do the entry into the system, there would be no fiscal impact to local public health agencies.

Oversight assumes the DPHHS will send death certificates to the DHSS for data entry rather than incur the additional cost of hiring a half FTE since that is an option.

ASSUMPTION (continued)

Officials from the **Department of Insurance, Financial Institutions, and Professional Registration** and the **Harrison County Health Department** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Miller County Health Center** and **Shelby County Health Department** responded to **Oversight's** fiscal note request but did not provide statements of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
GENERAL REVENUE FUND			
<u>Costs - DHSS-BVR</u>			
Personal service	(\$44,400)	(\$53,813)	(\$54,351)
Fringe benefits	(\$22,531)	(\$27,307)	(\$27,580)
Equipment and expense	(\$23,057)	(\$14,375)	(\$14,518)
GR pick-up for reduction in federal payment	<u>\$0 or (\$38,122)</u>	<u>\$0 or (\$38,122)</u>	<u>\$0 or (\$38,122)</u>
<u>Total Cost - DHSS-BVR</u>	<u>(\$89,988) or (\$128,110)</u>	<u>(\$95,495) or (\$133,617)</u>	<u>(\$96,449) or (\$134,571)</u>
FTE Change - DHSS	2 FTE	2 FTE	2 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$89,988) or (\$128,110)</u>	<u>(\$95,495) or (\$133,617)</u>	<u>(\$96,449) or (\$134,571)</u>
Estimated Net FTE Change on the General Revenue Fund	2 FTE	2 FTE	2 FTE
FEDERAL FUNDS			
<u>Loss - DHSS-BVR</u>			
Reduction in National Center for Health Statistics funds	\$0 or (\$32,722)	\$0 or (\$32,722)	\$0 or (\$32,722)
Reduction in Social Security Administration funds	<u>\$0 or (\$5,400)</u>	<u>\$0 or (\$5,400)</u>	<u>\$0 or (\$5,400)</u>
<u>Total Loss - DHSS-BVR</u>	<u>\$0 or (\$38,122)</u>	<u>\$0 or (\$38,122)</u>	<u>\$0 or (\$38,122)</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0 or (\$38,122)</u>	<u>\$0 or (\$38,122)</u>	<u>\$0 or (\$38,122)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could save small business funeral homes the administrative costs associated with maintaining computer systems capable of submitting death certificates electronically since the proposal will allow them to submit paper copies to either their local registrar or the Department of Health and Senior Services.

FISCAL DESCRIPTION

This proposal provides that the funeral director or person acting as such, instead of entering the data directly into the electronic death registration system, may, at his or her option, complete and file the death certificate in paper form with the local registrar. In the event of such a paper filing, the local registrar or state registrar shall enter the death certificate into the electronic death registration system. If this manual paper filing option is used, the local registrar shall issue certified copies of death certificates for the first twenty-four hours after filing and accept fees for such issuance as provided for by law.

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
Department of Health and Senior Services -
 Bureau of Vital Records
Columbia/Boone County Department of Public Health and Human Services
Harrison County Health Department
Miller County Health Center
Shelby County Health Department



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