

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0541-02
Bill No.: SB 612
Subject: Health Care; Health Care Professionals; Health Department
Type: Original
Date: April 2, 2007

Bill Summary: This proposal adds provisions regarding disposal of specimens as a result of genetic testing.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(\$57,646)	(\$48,923)	(\$50,190)
Total Estimated Net Effect on General Revenue Fund	(\$57,646)	(\$48,923)	(\$50,190)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Public Health Services Fund	\$0	Unknown	Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	Unknown	Unknown

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

- 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 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services** assume the proposal would have no fiscal impact on their agency.

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

Section 191.317.2: States, "The specimen shall be retained for five years after initial submission to the Department. After five years, the specimen shall be destroyed."

The State Public Health Laboratory (SPHL) estimates that one 24 cu. ft. freezer will hold approximately 30,000 blood spots. At an average of 90,000 spots annually, three Ultralow minus 70 degrees Celsius freezers per year (15 over the five year period) will be required at an estimated cost of \$10,000 per freezer, or \$30,000 annually. Freezers would need to be replaced approximately every ten years.

In the first year, space requirements for three freezers, uninterruptible power supplies and processing of spots, would be adequately covered in the health laboratory. The storage space in the laboratory where these freezers would be kept is not electrically wired for this type of equipment. OA Facilities Maintenance estimates \$3,000 for an electrical contractor to run power to the storage area in year one. Since existing space is limited in the health lab, a leased facility that is a secure, temperature controlled warehouse with 220v electrical hookup and emergency power will be needed in subsequent years. This leased space will cost approximately \$7 to \$9 per square foot, or \$7,000-\$9,000 annually for 1,000 square feet of leased facility to house the program. To ensure electrical power to the freezers at all times, three uninterruptible power supply units will be purchased each year (1 per freezer) with an annual cost estimated at \$2,166 per unit.

Section 191.317.2: States, "Unless otherwise directed under this section, a biological specimen may be released for purposes of anonymous scientific study. At the time of testing or up to five years after the specimen was initially submitted to the Department, the parent or legal guardian of the child from whom a biological specimen was obtained may direct the department to:

- (1) Return a biological specimen...after all screening tests have been performed;
- (2) Destroy a biological specimen in a scientifically acceptable manner after all screening tests required...have been performed; or
- (3) Store a biological specimen but not release the biological specimen for anonymous scientific study."

ASSUMPTION (continued)

The SPHL will revise its newborn screening blood form to include consent of the parent or legal guardian to release the specimen for anonymous scientific study, or direct the Department to return, destroy, or store the specimen and not release it for study. Revision to the form will cost \$2,500 the first year.

The SPHL estimates that a half-time Senior Office Support Assistant will be needed to enter consent information into an information system, monitor categories of blood spot information for assignment to blood spot inventory, and recall blood spot information for shipping purposes.

Additionally, a half-time Medical Technologist Trainee/I/II will be needed to prepare specimens for storage of blood spots, monitor freezers daily for adequate storage conditions, process orders and prepare spots for shipping.

Standard costs for FTE have been included for the two positions.

Oversight assumes the DHSS could absorb one-half Senior Office Support Assistant FTE and could absorb one-half Medical Technologist Trainee FTE.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE FUND			
<u>Costs</u> - Department of Health and Senior Services: State Public Health Laboratory Program Costs	(\$57,646)	(\$48,923)	(\$50,190)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$57,646)</u>	<u>(\$48,923)</u>	<u>(\$50,190)</u>

PUBLIC HEALTH SERVICES FUND

Income - Department of Health and Senior Services

Fee	\$0	Unknown	Unknown
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ESTIMATED NET EFFECT ON PUBLIC HEALTH SERVICES FUND

<u>\$0</u>	<u>Unknown</u>	<u>Unknown</u>
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FISCAL IMPACT - Local Government

FY 2008 (10 Mo.)	FY 2009	FY 2010
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<u>\$0</u>	<u>\$0</u>	<u>\$0</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.

FISCAL DESCRIPTION

This legislation changes the laws regarding the handling of newborn screening test specimens. In its main provisions, the legislation requires specimens to be kept for five years after submission to the Department of Health and Senior Services and then destroyed unless otherwise directed by the parent or guardian.

This legislation specifies that a specimen released for anonymous study cannot contain information that identifies the donor.

This legislation specifies that the Department has authority over the use, retention, and disposal of specimens and the information collected in newborn screening tests.

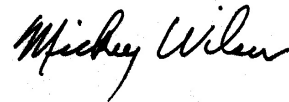
This legislation allows the Department to charge a fee for the use of newborn screening specimens for public health research.

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

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SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Social Services

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

Mickey Wilson, CPA
Director
April 2, 2007