

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3119-01
Bill No.: SB 778
Subject: Health, Public; Health Department; Children and Minors; Insurance, Medical
Type: Original
Date: January 28, 2008

Bill Summary: This legislation requires immunizations for the human papilloma virus.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	(\$2,249,000)	(\$2,249,000)	(\$2,249,000)
Total Estimated Net Effect on General Revenue Fund	(\$2,249,000)	(\$2,249,000)	(\$2,249,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Insurance Dedicated Fund	\$5,000	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$5,000	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
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 2009	FY 2010	FY 2011
Local Government	Unknown	Unknown	Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Social Services** assume this proposal requires the Department of Health and Senior Services to publish and mail information regarding the Human Papilloma Virus (HPV) vaccine to parents of females entering the 6th grade. The proposal does not mandate that the student receive the vaccine.

Currently MO HealthNet reimburses the administration fee for the HPV vaccine for females ages 9-18. The Vaccines for Children program through the Department of Health and Senior Services covers the vaccine for these participants. MO HealthNet covers the vaccine for females ages 19-26. Since this is a covered service and this legislation does not mandate the HPV vaccine, a fiscal impact to MO HealthNet is not expected.

Officials from the **Department of Elementary and Secondary Education** assume the proposal would have no impact on their agency.

Fall enrollment for girls in grade six for 2005-2006 school year was 34,834. DESE assumes this proposal will result in unknown administrative costs to local school districts for tracking the immunizations, corresponding with doctors, parents and the Department of Health and Senior Services; and retaining necessary records.

ASSUMPTION (continued)

Officials from the **Department of Insurance, Financial Institutions & Professional Registration** estimates approximately 100 insurers would be required to submit amendments to their policies to comply with legislation. Policy amendments must be submitted to the Department for review along with a \$50 filing fee. One-time additional revenues to the Insurance Dedicated Fund are estimated to be \$5,000.

Additional staff and expenses are not being requested with this single proposal, but if multiple proposals pass during the legislative session which require policy form reviews the Department will need to request additional staff to handle increase in workload.

Officials from the **Department of Health and Senior Services (DHSS)** assume the proposal provides that female students enrolling in sixth grade may receive, at the option of a parent or guardian, an immunization for Human Papilloma Virus (HPV). The DHSS shall directly mail age appropriate information to parents or guardians of female students entering the sixth grade regarding the connection between HPV and cervical cancer and the availability of the HPV immunization.

Each mailing shall request that the parents of female students entering sixth grade voluntarily furnish a written statement, not later than 20 days after the first day of school, stating that they have received the information and that the student has received the immunization or the parents have decided not to have the student immunized. Each school district shall submit a report to the DHSS within 60 days of enrollment that includes a statement about the number of female students who have and have not been immunized against HPV and the number of non-responses to the written statement. The information will be analyzed by the Department and will be used for statistical purposes only.

Staffing requirements consist of one FTE (0.5 Public Health Consultant Nurse and 0.5 Health Program Representative II), to perform the following functions:

- Develop the plan to prescribe to schools for gathering names and addresses of all parents and guardians of female students entering sixth grade;
- Set up a data receiving mechanism to enter data received from each school district regarding student enrollment;
- Determine analysis of the data received by the school districts and perform statistical analysis; and
- Development, printing and distribution of prescribed educational materials.

ASSUMPTION (continued)

This proposal requires "...Funds for the administration of this section and for the purchase of vaccines for children of families unable to afford them shall be appropriated to DHSS from General Revenue or from federal funds if available. " There are no federal funds currently available for this vaccine, therefore General Revenue would be needed to provide the vaccines.

Population estimates were determined by using Census data that shows that there are approximately 80,000 children in the 11-year age cohort (the age of most children when they enter sixth grade). Assuming that approximately one-half are females, the number is reduced to 40,000.

Of those 40,000, approximately 46.4 percent (18,560) are served through the Vaccines for Children program. It is estimated that approximately 38.6 percent (15,440) may have private insurance that covers the vaccine cost. The remaining 15 percent (6,000) are not identified in either group above and therefore would need the vaccine paid for by the state.

Based on the Centers for Disease Control vaccine pricing list, the cost of the vaccine is \$120.50 per dose. Three doses per patient are needed to complete the series, resulting in an annual cost of \$2,169,000 (6,000 students x \$120.50 per dose x 3 doses per series).

As noted above, there are approximately 40,000 female students entering sixth grade each year. The Department estimates it will cost one dollar per student for printing the educational materials plus an additional dollar per student to mail the materials to the student's home. The annual cost is estimated at \$80,000 (40,000 students x \$2/ student).

Oversight assumes the Department of Health and Senior Services could absorb a one-half Public Health Consultant Nurse FTE and a one-half Health Program Representative II FTE.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
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GENERAL REVENUE FUND

Costs - Department of Health and Senior Services

HPV Vaccine Costs	(\$2,169,000)	(\$2,169,000)	(\$2,169,000)
Educational Materials & Mailing Cost	<u>(\$80,000)</u>	<u>(\$80,000)</u>	<u>(\$80,000)</u>
<u>Total Costs - DHSS</u>	<u>(\$2,249,000)</u>	<u>(\$2,249,000)</u>	<u>(\$2,249,000)</u>

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$2,249,000)</u>	<u>(\$2,249,000)</u>	<u>(\$2,249,000)</u>
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INSURANCE DEDICATED FUND

Income - Department of Insurance,
Financial Institutions & Professional
Registration

Filing Fee Revenue	<u>\$5,000</u>	<u>\$0</u>	<u>\$0</u>
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ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND	<u>\$5,000</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
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POLITICAL SUBDIVISIONS

Costs - School Districts
Administrative Costs

Administrative Costs	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This legislation provides that female students enrolling in sixth grade may receive, at the option of a parent or guardian, an immunization for the human papillomavirus (HPV).

The Department of Health and Senior Services shall directly mail age appropriate information to parents or guardians of female students entering grade 6 regarding the connection between HPV and cervical cancer and the availability of the HPV immunization. Such information shall include the risk factors for developing cervical cancer, the connection between HPV and cervical cancer, how it is transmitted and how transmission can be prevented, the latest scientific information about the immunization's effectiveness, information about the importance of pap smears, and a statement explaining that questions from parents or guardians may be answered by a health care provider.

Each mailing shall request that the parents of female students entering grade 6 voluntarily furnish a written statement, not later than 20 days after the first day of school, stating that they have received the information and that the student has received the immunization or the parents have decided not to have the student immunized. Each school district shall submit a report to the Department of Health and Senior Services within 60 days of enrollment which includes a statement about the number of female students who have and have not been immunized against HPV and the number of non-responses to the written statement.

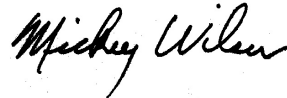
Nothing in the legislation shall be construed to prevent school attendance if a parent has opted not to have the student receive the HPV immunization or has not furnished the written statement. Any information derived from the parents or guardian shall be used for statistical purposes only and shall not be used to personally identify any parent, guardian or any student.

This legislation also requires health insurance companies to provide coverage for HPV immunizations for females between the ages of 11 and 21.

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 Elementary and Secondary Education
Department of Insurance, Financial Institutions & Professional Registration
Department of Health and Senior Services
Department of Social Services
Office of the Secretary of State

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
January 28, 2008