

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2440-05
Bill No.: SS for SB 5
Subject: Abortion; Health Care; Health Care Professionals; Health and Senior Services
Department; Hospitals; Medical Procedures and Personnel; Physicians
Type: Original
Date: June 14, 2017

Bill Summary: This proposal modifies several provisions relating to abortion.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|-------------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| General Revenue | (\$79,380) | \$0 | \$0 |
| Total Estimated Net Effect on General Revenue | (\$79,380) | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> 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 2018 | FY 2019 | FY 2020 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

In response to a similar proposal from this session (SB 1), officials from the **Department of Health and Senior Services (DHSS)** provided the following information:

Section 188.047.2

This legislation mandates that an investigation be conducted for each unreconciled report and that an onsite / unannounced inspection be conducted, depending on the outcome of the investigation. DHSS is unable to quantify the possible number of new investigations or inspections that will be required. However, this could lead to substantial increase in the amount of time spent onsite at abortion facilities and hospitals. Therefore, the fiscal impact of this section is unknown.

Section 197.230 2

This language requires the department to make at least one annual unannounced inspection and investigation of all abortion facilities. Since the number of inspections/investigations is indeterminate (at least annually) and the number of abortion providers may change, DHSS is unable to quantify the number of additional inspections/investigations that will be required. Therefore, the fiscal impact of this section is unknown.

DHSS provided the response for **Office of Administration (OA), Information Technology Services Division (ITSD)/DHSS**. OA, ITSD officials provided the following information:

Section 188.047

This section will require assistance of ITSD to modify the existing ITOP mainframe application to support storage of required data elements to be used in reconciling each notice of abortion with its corresponding organs and tissue report. Modifications are estimated to require 108 hours at \$75 per hour or \$8,100 for FY18 (General Revenue). No additional on-going costs anticipated.

ASSUMPTION (continued)

Section 192.667

This section will require the assistance of ITSD to include abortion facilities to the existing Missouri Healthcare - Associated Infection Reporting System (MHIRS) application for data reporting to DHSS.

Modifications will be made to the existing data collection application, MHIRS. It is assumed a team of a project manager, business analyst and developer will be needed for three (3) months at an estimated cost of \$71,280 (950.4 hrs X \$75/hr) for FY18 to the General Revenue Fund. No additional on-going costs are anticipated.

ITSD assumed that every new IT project/system will be bid out because all ITSD resources are at full capacity. The current contract rate for IT consultants is \$75 per hour.

Oversight assumes additional inspections can be absorbed within current funding levels. However, if inspections/investigations increase significantly, the DHSS may need to request additional funding through the appropriations process.

Bill as a whole

Also in response to a similar proposal from this session (SB 1), the following agencies responded:

Officials from the **Office of Attorney General (AGO)** assumed any potential costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in cases.

Officials from the **Joint Committee on Administrative Rules (JCAR)** stated the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Natural Resources**, the **Department of Corrections**, the **Department of Labor and Industrial Relations**, the **Department of Public Safety, Director's Office** and the **Missouri State Highway Patrol**, the **Department of Social Services, Division of Legal Services**, **MO HealthNet Division** and **Division of Finance and Administrative Services** and the **Office of State Courts Administrator** each assumed the proposal would not fiscally impact their respective agencies.

Due to time constraints, responses for similar legislation, SB 71 (LR 584-01), from the 2017 Regular Session were used:

ASSUMPTION (continued)

Officials from the **Missouri Office of Prosecution Services** and the **Office of State Public Defender** each assumed the proposal would not fiscally impact their respective agencies.

In response to various proposals from the 2017 Regular Session containing rules language the **Office of Secretary of State** provided the following response:

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.

| <u>FISCAL IMPACT - State Government</u> | FY 2018 | FY 2019 | FY 2020 |
|---|--------------------------|-------------------|-------------------|
| GENERAL REVENUE FUND | | | |
| <u>Costs - DHSS (\$188.047)</u> | | | |
| Computer system modifications | (\$8,100) | \$0 | \$0 |
| <u>Costs - DHSS (\$192.667)</u> | | | |
| Computer system modifications | <u>(\$71,280)</u> | <u>\$0</u> | <u>\$0</u> |
| Total <u>Costs - DHSS</u> | <u>(\$79,380)</u> | <u>\$0</u> | <u>\$0</u> |
| ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND | <u>(\$79,380)</u> | <u>\$0</u> | <u>\$0</u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2018 | FY 2019 | FY 2020 |
|---|------------|------------|------------|
| | <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

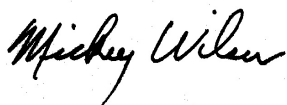
This act modifies provisions relating to abortion.

This proposal contains an emergency clause.

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

Office of Attorney General
Department of Health and Senior Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Natural Resources
Department of Corrections
Department of Labor and Industrial Relations
Department of Public Safety -
Department of Social Services
Joint Committee on Administrative Rules
Missouri Office of Prosecution Services
Office of State Courts Administrator
Office of Secretary of State
Office of State Public Defender



Mickey Wilson, CPA
Director
June 14, 2017

Ross Strope
Assistant Director
June 14, 2017