

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0649-01  
Bill No.: SB 177  
Subject: Health Care; Health Care Professionals; Health and Senior Services Department;  
Health, Public  
Type: Original  
Date: January 15, 2019

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Bill Summary: This proposal modifies education and experience qualifications for the Director of the Department of Health and Senior Services and local public health centers.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<b>Local Government</b>	<b>(Up to \$2,131,250)</b>	<b>(Up to \$2,557,500)</b>	<b>(Up to \$2,557,500)</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§192.007 and 205.100 - DHSS director and LPHA administrator qualifications

**Oversight** notes the **Department of Health and Senior Services (DHSS)** stated the proposal would not have a direct fiscal impact on the organization. DHSS officials provided that the current director is a medical doctor and that for the past 10 years all DHSS directors have had at least a “Doctorate” degree that meets the qualification specified in the proposal. Therefore, Oversight will reflect a zero impact in the fiscal note for DHSS.

**Oversight** notes the **Bollinger County Health Center**, the **Cole County Health Department**, the **Columbia/Boone County Department of Public Health and Human Services** and the **Macon County Health Department** have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

Officials from the **Andrew County Health Department** and the **Nodaway County Health Department** state this proposal could result in an increase in salaries for future local public health administrators due to increased education requirements. It is assumed this may impact the Andrew County Health Department and the Nodaway County Health Department by \$10,000 - \$15,000, each, per year.

Officials from the **Cooper County Public Health Center** state this proposal would cost their county health center approximately \$15,000 per year in increased salary, training, fringe benefits, and equipment and supply costs.

Officials from the **Dallas County Health Department** estimate this proposal will cost their county health department \$75,000 annually. Costs include a substantially higher salary for the administrator (including increased fringe benefits) and the need for additional employees. The current administrator works in multiple areas and for several departments within the health department (WIC, Vital Records, PHEP, Environmental and Emergency Response) and new employees will have to be hired to cover those areas currently served by the administrator.

Officials from the **Bates County Health Center**, **Marion County Health Department** and **Perry County Health Department** responded to **Oversight’s** fiscal note request but did not provide a statement of fiscal impact.

ASSUMPTION (continued)

**Oversight** does not have any information contrary to that provided by the local public health agencies regarding anticipated costs. Using the Missouri County Classification (based on the 2010 Census), Nodaway County (northwest Missouri), population of 23,370; Cooper County (central Missouri), population 17,601; Andrew County (northwest Missouri), population 17,291; and Dallas County (south central Missouri), population 16,777, are all third class rural counties. These locations may make it difficult for them to hire directors or administrators that have the education and experience requirements specified in the proposal. Therefore, Oversight will assume the local government impact of this proposal will be up to \$2,557,500 annually (the average of the estimates provided by 4 health departments ( $\$10,000 + \$10,000 + \$15,000 + \$75,000 = \$110,000/4 = \$27,500$ ) X 93 third and fourth class counties = \$2,557,500).

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, other local public health agencies were requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to [www.legislativeoversight.mo.gov](http://www.legislativeoversight.mo.gov).

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
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**LOCAL PUBLIC HEALTH  
AGENCIES**

<u>Costs</u> - §205.100 - Local Public Health Agencies Increase in salaries, fringe benefits and equipment and expense for qualified directors/administrators	(Up to <u>\$2,131,250</u> )	(Up to <u>\$2,557,500</u> )	(Up to <u>\$2,557,500</u> )
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<b>ESTIMATED NET EFFECT ON LOCAL PUBLIC HEALTH AGENCIES</b>	(Up to <u><b>\$2,131,250</b></u> )	(Up to <u><b>\$2,557,500</b></u> )	(Up to <u><b>\$2,557,500</b></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 act requires the Director of the Department of Health and Senior Services and the directors and administrators of local public health centers to have specified qualifications regarding education and experience.

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 Health and Senior Services  
Andrew County Health Department  
Bates County Health Center  
Bollinger County Health Center  
Cole County Health Department  
Columbia/Boone County Department of Public Health and Human Services  
Cooper County Public Health Center  
Dallas County Health Department  
Macon County Health Department  
Marion County Health Department  
Nodaway County Health Department  
Perry County Health Department



Kyle Rieman  
Director  
January 15, 2019

Ross Strobe  
Assistant Director  
January 15, 2019