

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1541-03
Bill No.: HCS for SB 282
Subject: Funerals and Funeral Directors; Public Health
Type: Original
Date: May 9, 2019

Bill Summary: This proposal modifies provisions relating to the disposition of human remains.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|--------------------------------------|------------------------------|------------------------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| General Revenue Fund | (\$85,803) to (\$140,204) | \$0 or (\$80,631) | \$0 or (\$81,312) |
| Total Estimated Net Effect on General Revenue | (\$85,803) to (\$140,204) | \$0 or (\$80,631) | \$0 or (\$81,312) |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|--|-------------------------|-------------------------|-------------------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| Organ Donor Fund (0824) | Up to (\$92,515) | Up to (\$21,779) | Up to (\$22,038) |
| Total Estimated Net Effect on Other State Funds | Up to (\$92,515) | Up to (\$21,779) | Up to (\$22,038) |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 14 pages.

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

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|---------------------|---------------------|---------------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| General Revenue Fund | 0 or 1 FTE | 0 or 1 FTE | 0 or 1 FTE |
| Organ Donor Fund | 0 or 0.5 FTE | 0 or 0.5 FTE | 0 or 0.5 FTE |
| Total Estimated Net Effect on FTE | 0 to 1.5 FTE | 0 to 1.5 FTE | 0 to 1.5 FTE |

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 2020 | FY 2021 | FY 2022 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

§193.145 - Disposition of Human Remains

Officials from the **Department of Health and Senior Services (DHSS)** assume the proposed legislation allows the funeral director or person in charge of final disposition of the dead body to obtain or verify and enter into the electronic death registration system the medical certification and attestation, if designated to do so from the person responsible for such certification and attestation as designated under section 193.145.5, RSMo. The current electronic system used to register death certificates, MoEVR, is currently set up to only allow physicians, medical examiners, or coroners the ability to certify the medical portion of the death certificate; specifically being able to certify the cause of death. The proposed legislation would require the MoEVR system be modified to allow a person designated by the physician, medical examiner, or coroner to obtain or verify and enter into the system the medical certification information and attestation of that information for a death certificate.

OA-ITSD services will be required at a cost of **\$52,457**;

- \$6,885 (91.80 hours x \$75 per hour) of IT Consultant
- \$45,572 for Project Assessment Quotation (PAQ) with vendor

Oversight notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For this bill, ITSD assumes they will contract out the programming changes need to the MoEVR system. ITSD estimates the project would take 91.8 hours at a contract rate of \$75 per hour plus \$45,572 for the Project Assessment Quotation for a total cost to the state of \$52,457. Oversight notes that an average salary for a current IT Specialist within ITSD is \$51,618, which totals roughly \$80,000 per year when fringe benefits are added.

Assuming that all ITSD resources are at full capacity, Oversight assumes ITSD may (instead of contracting out the programming) hire an additional IT Specialist to perform the work required from this bill. Therefore, Oversight will range the fiscal impact from the cost of contracting out the work (\$52,457) to (\$125,572) for hiring an additional FTE IT Specialist (roughly \$80,000) plus Project Assessment Quotation with vendor cost (\$45,572) in FY 2020.

§193.265.2 - Disposition of Human Remains

Officials from the **Department of Health and Senior Services (DHSS)** state that currently, any record submitted through the local registrar to the state registrar that has not been filed, but found to have incomplete or missing documentation, is mailed back to the funeral home director. Under the proposed legislation, the record would be mailed to the local registrar.

ASSUMPTION (continued)

In response to a previous version, the **Columbia/Boone County Health Department** stated that the changes in Section 193.265.2 would have a fiscal cost to their organization. This new language would require the Health Department to do follow-up on death certificates that the state determines are incomplete. This would involve staff contacting the appropriate people and presumably, would be responsible for tracking that the information is provided. Then staff would provide the certificate back to the state. Fiscal impact is not expected to be to be large, but it would be unknown since there is no way to determine how many certificates may be returned.

For fiscal note purposes, **Oversight** assumes the fiscal impact of this proposal would be minimal and local governments could absorb the workload that this proposal may require.

§§194.225 & 302.171- Organ Donor Registry

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

Sections 194.225.1(1) and 302.171.2, RSMo. of the proposed legislation state the Department of Health and Senior Services will work with the Department of Revenue (DOR) to process and provide donor symbol stickers to individuals who want to place a sticker indicating an anatomical gift instead of a printed symbol on their driver license or identification card. When an application to make an anatomical gift is made via the DHSS website, the department shall determine if the symbol is printed on the registrant's driver's license or identification card, and if not, mail a donor symbol sticker to the registrant to place on their license or identification card using first class mail.

DOR data from May 19, 2014 thru June 30, 2018 is reflected in the table below. In addition, the table includes data for the Donor Registry System (DRS), online and paper registrations; actual, percent, and averages are provided.

ASSUMPTION (continued)

| | May 19, 2014 - May 18, 2015 | July 1, 2015 - June 30, 2016 | July 1, 2017 - June 30, 2018 | Average Annual Number of Individuals |
|---|--|---|---|---|
| No to Donation so symbol question not asked | 840,660 | 802,507 | 958,640 | 867,269 |
| Yes to Donation and Yes to Symbol | 724,373 | 769,580 | 725,631 | 739,861 |
| Yes to Donation and No to Symbol | 11,200 | 8,027 | 5,542 | 8,256 |
| Total DOR | 1,576,233 | 1,580,114 | 1,689,813 | 1,615,386 |
| Online Registrations* | 2,706 | 2,659 | 366 | 1,910 |
| Paper Registrations* | 2,488 | 2,339 | 2,233 | 2,353 |

*Online and paper registrations reporting does not coincide with some of the dates in the above table. DHSS has provided the best estimate utilizing dates closest to those presented in the table. The Organ and Tissue Donor Program does not have data for FY 17 from DOR and therefore excluded that year for all rows.

Section 194.225.5, RSMo, would require the Department of Health and Senior Services to mail a donor symbol sticker to every individual who registers to make an anatomical gift via the department's website. The yearly average of online registrants is 1,910 individuals. Subsection 2 of Section 302.171, RSMo, also allows an individual to request a donor symbol sticker via the department's website if they are already registered to make an anatomical gift. We assume that up to 10 percent of the yearly average that say "yes" to donation at DOR and "no" to the printed symbol may change their mind, and request a donor symbol sticker, which would be 826 requests ($8,256 \times 0.10 = 826$ as a rounded number). We also assume that as much as 45.8 percent of individuals who register via a paper registration will request a donor symbol sticker, on the basis that 45.8 percent of individuals who register at DOR want a donor symbol ($739,861/1,615,386$), which would be 1,078 requests ($2,353 \times 0.458 = 1,078$ as a rounded number). The total number of estimated requests for a donor symbol sticker is therefore 3,814 annually ($1,910 + 826 + 1,078 = 3,814$).

DHSS will incur costs for printing an average of 4,000 stickers at a State Printing cost estimate of \$0.04/each = \$160. DHSS will incur first class mailing costs for an average of 3,814 letters annually at \$0.47 = \$1,793. DHSS will incur costs of window envelopes for 8/boxes of 500 x \$9.37/box= \$75.

ASSUMPTION (continued)

An office support assistant (OSA) at 0.5 FTE will be required for clerical aspects of fulfilling the necessary paperwork and phone calls related to the proposed requirements. This includes printing letters, affixing stickers to letters, folding letters, stuffing and sealing envelopes, and answering phone calls from applicants who applied for a sticker or want to apply for a sticker. Division of Community and Public Health (DCPH) staff assume 3,814 sticker requests a year, which breaks down to the OSA processing an approximate average of 73 requests per week or approximately 15 a day. DHSS, accounting for hiring time, assumes this position will begin September 1, 2020. The salary listed for this position reflects the average annual salary of staff in these positions within the Division of Community and Public Health as of December 1, 2018.

The DHSS website will need to be modified to accommodate an application so the public can apply for a sticker. Additionally, the current DRS does not capture data regarding whether individuals say "Yes" or "No" to the symbol at the time of DOR license or identification card application. The DRS system or Organ and Tissue Donor Program staff will need to check with or lookup information in the DOR system for each of the 3,814 annual requests to determine if a symbol was or was not added to the driver license or identification card, develop correspondence to acknowledge receipt of sticker request and indicate the sticker is enclosed. Correspondence will need to include how to adhere the sticker to the license or identification card.

Oversight is unsure of how much work will be required to implement this proposal; however, Oversight does not have any information to the contrary in regards to DHSS's assumptions. Therefore, Oversight will range the fiscal impact of this proposal from \$0 (does not require additional FTE) to the costs reflected in DHSS's assumptions (0.5 FTE).

Oversight notes the Organ Donor Fund (0824) had a fund balance of \$716,708 as of April 2019.

DHSS also notes OA-ITSD services will be required at a cost of **\$61,560** (820.80 hours x \$75 per hour) in FY 2020.

Oversight notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For this bill, ITSD assumes they will contract out the programming changes needed to the Donor Registry system. ITSD estimates the project would take 820.80 hours at a contract rate of \$75 per hour for a total cost to the state of \$61,560. Oversight notes that an average salary for a current IT Specialist within ITSD is \$51,618, which totals roughly \$80,000 per year when fringe benefits are added. Assuming that all ITSD resources are at full capacity, Oversight assumes ITSD may (instead of contracting out the programming) hire an additional IT Specialist to perform the work required from this bill.

ASSUMPTION (continued)

Therefore, Oversight will range the fiscal impact from the cost of contracting out the work (\$61,560) to hiring an additional FTE IT Specialist (roughly \$80,000 per year).

Officials from the **Department of Revenue (DOR)** assume this legislation proposes to place a donor symbol sticker authorized and issued by the Department of Health and Senior Services (DHSS) on the back of the donor's driver license or identification card indicating that the donor has made an anatomical gift.

This proposal requires the Department of Health and Senior Services (DHSS) to include information on their website about organ donation and a link where persons making an anatomical gift can register. Requires DHSS to contact the Department of Revenue when a person registers to make an anatomical gift to determine whether the organ donor symbol is printed on the front of the registrant's driver's license or identification card. If the donor symbol does not appear on the front of the driver's license, DHSS is required to mail the registrant a donor sticker to place on the back of his or her driver's license or identification card as provided under this section and §302.171.

This proposal provides that all state agencies and departments may provide a link on the agency or department's website directing the public to the organ donation information and registration link on the DHSS website.

This legislation proposes to place a donor symbol sticker authorized and issued by DHSS on the back of the donor's driver's license or identification card indicating that the donor has made an anatomical gift.

DOR assumes to implement the proposed legislation, the Department will be required to:

- Complete programming, business requirements, design documents, and user acceptance testing of the Missouri Electronic Driver License (MEDL) system;
- Work with DHSS to revise informational pamphlets required to be provided to individuals at the time of application regarding the participation in the Organ, Eye and Tissue Donor Registry;
- Submit a change request to the current license vendor to remove the fillable donor information on the back of the driver license and nondriver identification card and request for a placeholder for a sticker issued by DHSS;
- Complete testing with factory print facility for printing the card with the new placeholder;
- Update the mail-in application forms for military renewal applications;
- Update procedures and the Department website;

ASSUMPTION (continued)

- Update the Missouri Driver Guide; and
- Train staff.

FY 2020 - Driver License Bureau

| | | |
|-----------------------------|----------------------------|------------|
| Administrative Analyst II | 240 hrs. @ \$17.13 per hr. | = \$ 4,111 |
| Management Analysis Spec II | 280 hrs. @ \$20.57 per hr. | = \$ 5,760 |
| Revenue Manager | 120 hrs. @ \$20.59 per hr. | = \$ 2,471 |
| Total | | = \$12,342 |

FY 2020 - Personnel Services Bureau

| | | |
|----------------------------|---------------------------|----------|
| Administrative Analyst III | 30 hrs. @ \$19.80 per hr. | = \$ 594 |
| Management Analysis Spec I | 20 hrs. @ \$18.42 per hr. | = \$ 368 |
| Total | | = \$ 962 |

Total Costs = **\$13,304**

License Vendor Costs

Estimated cost to modify card design and factory printing process is \$28,000.

Oversight assumes DOR will use existing staff and will not hire additional FTE to conduct these activities; therefore, Oversight will not reflect the administrative costs DOR has indicated on the fiscal note. Oversight will reflect the vendor cost (**\$28,000**) on the fiscal note.

DOR notes OA-ITSD services will be required at a cost of **\$5,346** (71.28 hours x \$75 per hour) in FY 2020.

As stated above regarding DHSS' estimate for 820.8 hours of programming, **Oversight** notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For this bill, DOR-ITSD assumes they will contract out the programming changes needed to the MEDL system. DOR-ITSD estimates the project would take 71.28 hours at a contract rate of \$75 per hour for a total cost to the state of \$5,346. Oversight will range the fiscal impact to DOR-ITSD from \$0 (work will be handled by the additional FTE IT Specialist identified as a possible option for DHSS on page 3) to the \$5,346 estimate provided by DOR-ITSD. Oversight will reflect this potential ITSD FTE in the General Revenue Fund.

ASSUMPTION (continued)

Bill as a whole:

Officials from the **Office of the Secretary of State (SOS)** assume 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 \$5,000.

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 require additional resources.

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

Oversight assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

Officials from the **Department of Natural Resources**, the **Department of Insurance, Financial Institutions and Professional Registration**, the **Office of the State Courts Administrator** and the **Department of Public Safety - Missouri Highway Patrol** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a previous version, officials from **Kansas City** assumed the proposal will have no fiscal impact on their organization.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

| FISCAL IMPACT - State Government | FY 2020 (10 Mo.) | FY 2021 | FY 2022 |
|---|---|-------------------------------------|-------------------------------------|
| GENERAL REVENUE FUND | | | |
| Cost - DOR & DHSS - OA-ITSD (range from contacting out programing (\$52,457 + \$5,346 - includes PAQ) to hiring additional FTE IT Specialist (\$66,632) plus cost for PAQ (\$45,572) for a total of \$112,204 plus subsequent year FTE Cost (\$193.145) p.3 & 8 | (\$57,803) to (\$112,204) | \$0 or (\$80,631) | \$0 or (\$81,312) |
| Costs - DOR Vendor changes (§§194.225 & 302.171) p. 8 | (\$28,000) | \$0 | \$0 |
| ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND | (\$85,803) to <u>(\$140,204)</u> | \$0 or <u>(\$80,631)</u> | \$0 or <u>(\$81,312)</u> |
| Estimated Net FTE Change to the General Revenue Fund | 0 or 1 FTE | 0 or 1 FTE | 0 or 1 FTE |

FISCAL DESCRIPTION

This act modifies provisions regarding the death registration process and the right of sepulcher. Under current law, the medical certification from a medical provider is entered into the electronic death registration system. This act requires an attestation from the medical provider who completed the medical certification to be entered into the system as well.

Additionally, if the State Registrar determines that information on a document or record submitted to a local registrar is incomplete, the State Registrar shall return the records or documents with the incomplete information to the local registrar for correction by the data provider, funeral director, or person in charge of the final disposition.

Current law provides a list, in the order of priority, of next-of-kin who have the right to control the disposition of a dead human body. This act provides that the surviving spouse shall not be considered as next-of-kin if an action for dissolution of marriage has been filed and is pending in a court of competent jurisdiction. Additionally, the next-of-kin of a deceased person may delegate the final disposition of the deceased to an agent through a power of attorney.

Under this act, an individual with a superior claim to the disposition of the deceased may be notified in person or by written notice with delivery confirmation, rather than "personally served with written notice" by a person with an inferior claim who has the desire to exercise the right to control the final disposition of the deceased.

Finally, this act repeals a provision allowing the State Registrar to adopt pilot programs or voluntary electronic death registration programs until an electronic death registration system is certified. Additionally, this act repeals a provision requiring the Division of Community and Public Health within the Department of Health and Senior Services to create a working group for the purposes of evaluating the electronic vital records system and submit a report on findings to the General Assembly by January 1, 2016.

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Additionally, if the State Registrar determines that information on a document or record submitted to a local registrar is incomplete, the State Registrar shall return the records or documents with the incomplete information to the local registrar for correction by the data provider, funeral director, or person in charge of the final disposition.

FISCAL DESCRIPTION (continued)

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This bill allows a donor to make an anatomical gift by placing a donor symbol sticker authorized and issued by the Department of Health and Senior Services on the back of the donor's driver's license or identification card.

The department shall include on its website information about organ donation and a link where the person making an anatomical gift can register. Once a person has registered, the department will contact the Department of Revenue to determine whether the organ donor symbol is printed on a registrant's driver's license or identification card. If the donor symbol does not appear, the department will mail a donor symbol sticker to be placed on the back of the registrant's driver's license or identification card.

State agencies and departments may provide a link on the homepage of their website directing the public to the organ donation information and registration link.

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
Office of the State Courts Administrator
Department of Health and Senior Services
Department of Public Safety
 Missouri Highway Patrol
Department of Revenue
Office of the Secretary of State
Joint Committee on Administrative Rules
Department of Natural Resources
Kansas City
Columbia/Boone County Health Department



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