

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3084-07
Bill No.: Perfected SCS for SB 712
Subject: Emergencies; Health Care; Health Care Professionals; Health, Public; Governor & Lt. Governor; Health Dept.; Medical Procedures and Personnel; Public Safety Dept.
Type: Original
Date: February 13, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on <u>All</u> State Funds	\$0 or (Unknown)*	\$0 or (Unknown)*	\$0 or (Unknown)*

* Costs could exceed \$100,000 in any given fiscal year.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	(Unknown exceeds \$459,446)	(Unknown exceeds \$470,937)	(Unknown exceeds \$482,430)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 10 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, Office of State Courts Administrator, Missouri House of Representatives, Office of Prosecution Services, Department of Social Services, Department of Agriculture - Division of Animal Health, Office of the Governor, Department of Public Safety (DPS) - Missouri Highway Patrol, Office of State Treasurer, DPS - State Emergency Management Agency Missouri Department of Conservation and Department of Elementary and Secondary Education** assume the proposed legislation will not fiscally impact their organizations.

Officials from the **Office of the Secretary of State (SOS)** state this bill increases state health emergency powers. The State Emergency Management Agency or the Department of Health and Senior Services may promulgate rules to implement this bill. Based on experience with other divisions, the rules, regulations and forms issued by the State Emergency Management Agency or the Department of Health and Senior Services could require as many as 12 pages in the *Code of State Regulations*. For any given rule, roughly one-half again as many pages are published in the *Missouri Register* as are published in the Code because cost statements, fiscal notes and notices are not published in the Code. The estimated cost of a page in the *Missouri Register* is \$23.00. The estimated cost of a page in the *Code of State Regulations* is \$27.00. The actual costs could be more or less than the numbers given. The fiscal impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded and withdrawn. The SOS estimates the cost of this legislation to be \$738 [(12 pp x \$27) + (18 pp x \$23)].

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 Highways and Transportation** also responded for the **Missouri Highway Patrol** on behalf of its medical plan. Officials stated that because this legislation does not mandate any health benefit coverage, there would be no fiscal impact to the Highway and Patrol medical plans.

Officials from the **Missouri Senate** stated the proposal has no fiscal impact as it relates to their agency. Any costs associated with it would be absorbed in current appropriations.

ASSUMPTION (continued)

Officials from the **Department of Corrections (DOC)** stated the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost either through incarceration (FY 01 average of \$35.78 per inmate per day, or an annual cost of \$13,060 per inmate) or through supervision provided by the Board of Probation and Parole (FY 01 average of \$3.34 per offender per day, or an annual cost of \$1,219 per offender).

The following factors contribute to the DOC's minimal assumption:

- DOC assumes the narrow scope of the crime will not encompass a large number of offenders
- The low felony status of the crime enhances the possibility of plea-bargaining or imposition of a probation sentence.

Supervision by the DOC through probation or incarceration would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Officials from the **Office of Administration - Division of Risk Management (OA-DRM)** stated the bill currently addresses issues in regard to bioterrorism; the potential impact of this portion of the legislation is unknown.

Legislation in the proposal relating to the State Legal Expense fund has been eliminated, thereby no longer having a fiscal impact to the OA-DRM.

Officials from the **Department of Mental Health (DMH)** stated the duties placed upon the Department of Mental Health, Public Affairs would cause minimal increases in expenditures. The cost of distributing the public statements and news releases would generally be covered in the regular operating expenses of the Department. However, substantial increases in cost are anticipated from the provision of increased mental health and substance abuse services. A recent draft report from experiences in Virginia (Virginia Terrorism-Related Mental Health Needs Assessment by the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services) based upon events and costs from the events in New York and Virginia on September 11, 2001 indicate a cost to Virginia of \$50,144,503 in increased mental health and substance abuse costs. A simple comparison based on ASSUMPTION (continued)

population of the two states (Missouri and Virginia), shows Missouri has a population which is

79% of Virginia's 7,078,515. Applying that to the projected costs in Virginia shows Missouri with a similar cost increase of \$39,614,157 for increased mental health and substance abuse services. However, needs for such events as September 11 will differ from event to event. Therefore we do not show the \$39.6 million as the cost projection for Missouri for a terrorist/bio-chemical event but rather show it as an illustration of the enormous costs such an event might have in Missouri. This analysis is also based on the assumption that mental health facilities would not be utilized for any medical/quarantine purposes. Overtime pay for DMH staff would be a part of the "unknown" amount shown on the Summary of Fiscal Impact sheet.

Official from the **Department of Health and Senior Services (DOH)** stated the department currently has a decision item in the FY 03 budget request that includes enhanced virus and bacteria surveillance components, as well as other unrelated components. Costs are reflected in the decision item to expand the high alert biological, chemical and radiological surveillance system in the DOH for early detection and control of possible terrorism events over extended periods of time and multiple events. That request reflects the cost for additional staff and equipment needed to run the system efficiently and effectively and communicate threats to health care providers, the media, the public, and those other agencies and entities participating in the response. If funded, additional resources would become available that the DOH would hope to use regarding this legislation as well; however, the decision item is based on a need that the DOH currently has, and is not related to a specific outbreak.

In the case of a large outbreak, additional funds (amount unknown) would be requested to address needs specific to that crisis. The impact of a public health emergency would depend on the type of emergency and the necessary response, which would be determined at that time.

Officials from the **Department of Public Safety (DPS) - Office of the Adjutant General/Missouri National Guard (OTAG/MONG)** assume that when the OTAG/MONG and the organized militia is directed to help enforce provisions of the act that the National Guard (the organized militia) will be ordered by the Governor under RSMo 41.480. In this case, all expenditures related to duty performed by the organized militia at the call of the Governor and funded through a special National Guard Emergency appropriation in the Governor's budget. This appropriation is appropriated as \$1E because of the scope of the emergency missions to be assigned. Therefore, the OTAG/MONG assume the proposed legislation will not fiscally impact their organization.

Officials from the **Department of Economic Development - Division of Professional Registration (DED-PR)** did not respond to our request for a statement of fiscal impact. However, for a previous version of this proposed legislation, the DED-PR assumed a zero fiscal impact as they are hopeful that ASSUMPTION (continued)

their current appropriations/funds can support the impact of a state emergency. The DED-PR also assumed no charge to the temporary license holder. However, due to many unknown factors, such as the number of temporary licenses that will have to be issued, it may be necessary to secure additional appropriation authority and to charge the temporary licensee a respective fee.

Officials from the **Department of Natural Resources (DNR)** did not respond to our request for a statement of fiscal impact. However, in response to a previous version of this proposal, the DNR stated the proposal does not remove the DNR's authority. Therefore, no direct fiscal impact would be anticipated.

Officials from the **Missouri Consolidated Health Care Plan (HCP)** did not respond to our request for a statement of fiscal impact. However, in response to an earlier version of the proposed legislation, the HCP stated there would be no impact to their organization.

Officials from the **Office of Attorney General (AGO)** did not respond to our request for a statement of fiscal impact. However, in response to an earlier version of the proposed legislation, the AGO stated costs associated with the proposed legislation will be absorbed within existing resources.

Officials from the **Office of Lieutenant Governor** did not respond to our request for a statement of fiscal impact.

Officials from the **Boone County Health Department (Boone County)** stated if the DOH does not delegate the responsibilities of the proposed legislation to the local county health departments, the legislation will not have a fiscal impact on them. However, if responsibilities are delegated, the local public health capacity is insufficient to prepare to meet all responsibilities outlined in the proposed legislation. Infrastructure enhancements would be required each year. Boone County officials stated that 2.5 FTE would be needed to improve local capacity for preparedness (1 FTE - Epidemiologist/Disease Investigator; 1 FTE - Public Health Emergency Planner; 0.5 FTE Administrative Support Assistant I) plus supplies, travel and training, and communications equipment. Total costs are projected to be \$43,033 for FY 03 (3 months); \$130,157 for FY 04; and \$136,665 for FY 05.

In response to an earlier version of this proposal, officials from the **Cole County Health Department (Cole County)** stated infrastructure must be greatly enhanced and will cost county government a minimum of \$176,590 for FY 03; \$176,330 for FY 04; and \$181,315 for FY 05. Cole County officials assume 4 FTE would be needed (1 FTE - Communicable Disease Specialist; 1 FTE - Planner/Trainer; 1 FTE - Administrative Support; and 1 FTE - Environmental Public Health Specialist) plus equipment, supplies, and education and training.

ASSUMPTION (continued)

In response to an earlier version of this proposal, officials from the **St. Charles County Health Department (St. Charles County)** stated \$164,450 is the estimated total annual cost of the proposed legislation, with an additional \$10,000 one time equipment and supply cost in the first year. Annual cost include three new staff positions: 1 - Community Health Nurse, 1 - Sanitarian, and 1 - Communicable Disease Specialist would be needed.

<u>FISCAL IMPACT - State Government</u>	FY 2003	FY 2004	FY 2005
GENERAL REVENUE FUND			
<u>Costs - Office of Administration</u>			
Bioterrorism	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
Total <u>Costs</u> - Office of Administration	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<u>Costs - Department of Mental Health</u>			
Public Health Emergency Costs	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>
Total <u>Costs</u> - Department of Mental Health	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>
<u>Costs - Department of Health and Senior Services</u>			
Public Health Emergency Costs	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>
Total <u>Costs</u> - Department of Health and Senior Services	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>
NET ESTIMATED EFFECT ON GENERAL REVENUE	<u>\$0 or</u> <u>(Unknown)*</u>	<u>\$0 or</u> <u>(Unknown)*</u>	<u>\$0 or</u> <u>(Unknown)*</u>

* **Costs could exceed \$100,000 in any given fiscal year.**

<u>FISCAL IMPACT - Local Government</u>	FY 2003	FY 2004	FY 2005
COUNTY HEALTH DEPARTMENTS			
<u>Costs</u> - Personal Service, Fringe Benefits, Equipment and Expense	<u>(Unknown exceeds \$459,446)</u>	<u>(Unknown exceeds \$470,937)</u>	<u>(Unknown exceeds \$482,430)</u>
NET ESTIMATED EFFECT ON COUNTY HEALTH DEPARTMENTS	<u>(Unknown exceeds \$459,446)</u>	<u>(Unknown exceeds \$470,937)</u>	<u>(Unknown exceeds \$482,430)</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal would establish a legislative Joint Committee on Terrorism, Bioterrorism, and Homeland Security. The Committee would make a study and analysis of state government efforts to combat terrorism and bioterrorism and analyze state government efforts to provide homeland security; create a reporting system to provide information about each state agency's efforts in the areas at least every other year; use the analysis to determine if state laws need to be changed; and, make any recommendations about providing adequate terrorism, bioterrorism and homeland security for the citizens of Missouri to the general assembly.

The Committee could employ such personnel as it deems necessary to perform its duties under terms of the proposal.

The provisions of this proposal would expire 31 December 2007.

Definitions are provided for related terms, including "bioterrorism" (Section 44.010). Current law outlines the emergency powers of the Governor. This act adds that such powers are allowed when an act of bioterrorism that presents a clear and present danger requires invocation of the provisions.

A new section exempts certain persons from liability during a state health emergency. Such individuals include the state, public health authorities, or any other state official (Section 44.240).

A twelve-month temporary license is currently allowed for a health care practitioner licensed in another state who is acting under military orders and is enrolled in a trauma and disaster response

training in this DESCRIPTION

state. This act adds a third category to also allow temporary licensure of a health care practitioner licensed in another state and acting pursuant to a Governor's declaration of an emergency. Temporary licensure for this category will be issued for a two-week period and, after verification of qualifications, may be reissued every two weeks. Licensure information for all three categories may be obtained by any means, including electronic mail. The term "health care professional" means as defined in Section 44.010, RSMo.

A new section requires pharmacists to report unusual or increased prescription trends within 24 hours. Out-of-state laboratories which collect specimens within Missouri and in-state labs that send specimens out-of-state must report all cases of illness or health conditions. The Department will define this procedure by rule (Section 192.021).

Current law penalizes persons for leaving a quarantine without permission. This act modifies the language and imposes a Class A misdemeanor on those who: 1) Refuse to submit to medical exams or testing; 2) Refuse to perform medical exams or testing; 3) Refuse to comply with isolation or quarantine orders; 4) Knowingly put themselves in contact with an isolated or quarantined person; 5) Knowingly fail to report or conceal a dangerous disease; 6) Refuse to cooperate with investigations; and 7) Remove quarantine notices. If anyone performs any of the above acts during a state health emergency, he or she will be guilty of a Class D felony (Section 192.320).

A new section allows the Department to waive the registration and record keeping requirements regarding narcotic drugs (Section 195.041).

Current law allows probate to begin in certain circumstances when it relates to the estate of an absent persons. New language adds an individual's exposure to a specific peril of death due to an actual or suspected terrorist event to the list of circumstances (Section 473.697). Current law also allows a presumption of death after five years and without proof otherwise. New language provides that it will be sufficient to presume a person dead at any time after that person was exposed to a specific peril of death, even if five years have not yet elapsed (Section 490.620).

This proposal would allow government bodies to hold closed meetings when discussing specific information on existing or proposed security systems for any building or property owned or leased by the public governmental body. Information related to the total costs budgeted and expended are not closed. This exception becomes null and void on December 31, 2007.

A municipal utility receiving a public records request for information considered proprietary, highly confidential, critical or for a public record that would compromise the security of the utility system, may, within 30 days, file a motion with the court, to have the record closed.

DESCRIPTION (continued)

A new section requires the Department of Mental Health to provide information about mental health support to address the emergency. The Department of Health and Senior Services may assist (Section 630.807).

This act contains an emergency clause.

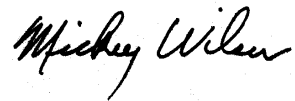
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance
Department of Elementary and Secondary Education
Office of State Courts Administrator
Missouri House of Representatives
Office of Prosecution Services
Office of the Secretary of State
Department of Highways and Transportation
Department of Social Services
Department of Agriculture - Division of Animal Health
Department of Public Safety
 - Missouri Highway Patrol
 - State Emergency Management Agency
 - Missouri National Guard
Missouri Department of Conservation
Missouri Senate
Department of Corrections
Office of State Treasurer
Office of the Governor
Office of Administration - Division of Risk Management
Department of Mental Health
Department of Health and Senior Services
Boone County Health Department
St. Charles County Health Department
Cole County Health Department

SOURCES OF INFORMATION (continued)

**NOT RESPONDING: Department of Economic Development - Professional Registration,
Department of Natural Resources, Missouri Consolidated Health Care Plan, Office of
Attorney General, Office of the Lieutenant Governor**



Mickey Wilson, CPA
Acting Director
February 13, 2002