

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3488-04
Bill No.: HCS for HB 1435
Subject: Funerals and Funeral Directors; Health and Senior Services Department
Type: Original
Date: January 30, 2020

Bill Summary: This proposal modifies provisions relating to the deceased.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
General Revenue	(\$65,374)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$65,374)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Missouri State Coroners' Training	\$297,996	\$357,595	\$357,595
Total Estimated Net Effect on Other State Funds	\$297,996	\$357,595	\$357,595

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 9 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
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 2021	FY 2022	FY 2023
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§58.035 - Jayke Minor Act/Coroner standards and training commission

In response to the previous version of this proposal, officials from the **Governor's Office (GOV)** stated this section establishes within the Department of Health and Senior Services (DHSS) a "Coroner Standards and Training Commission" which will be composed of eight (8) members appointed by the GOV: two coroners elected from counties of the third classification; one coroner elected from a county of the first, second, or fourth classification; one currently appointed medical examiner; one child death pathologist; one elected prosecuting attorney; one elected sheriff; and the director of the DHSS, or their designee, who will serve as a nonvoting member.

There should be no added cost to the GOV as a result of this measure.

Oversight notes the provisions of §58.035 provide the Coroner Standards and Training Commission is to be established within DHSS. The Commission is to meet at least twice each year. No member of the Commission is to receive any compensation for the performance of official duties. Once the Commission has developed standards, a report will be submitted to the speaker of the house of representatives and the president pro tempore of the senate and be published on DHSS' website.

Oversight contacted DHSS officials regarding potential costs associated with the Commission. DHSS assumes the Commission will require minimal work and that work will fall within the course of normal duties for the department. Any costs incurred will minimal and absorbable within current funding levels.

§§58.208 and 193.265 - Death certificate fees and State Coroners' Training Fund

Officials from the **Department of Health and Senior Services (DHSS)** state the Bureau of Vital Records (BVR) and Local Public Health Agencies (LPHAs) issue on average 357,595 death certificates each year. Per 193.265, RSMo, the BVR and LPHAs already collect a thirteen dollar fee for each initial copy and a ten dollar fee for each additional death certificate ordered at the same time. The proposed legislation requires the collection of an additional one dollar fee for each death certificate issued to be deposited into an additional fund, the Missouri State Coroners' Training Fund. This would generate state revenue into the Missouri State Coroners' Training Fund in the amount of \$297,996 for FY2021 and \$357,595 for FY2022 and FY2023.

ASSUMPTION (continued)

Collecting the additional dollar at time of issuance and performing accounting procedures to report and submit the fees daily to DHSS Fee Receipts Office would be absorbed within current operations. However, in order to have the additional dollar deposited to the credit of this new fund, an ITSD system change would need to occur.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the fees collected by DHSS and LPHAs that will be deposited into the Missouri State Coroners' Training Fund as provided by DHSS for fiscal note purposes.

Officials from the **Office of Administration (OA), Information Technology Services Division (ITSD)/DHSS** state the provisions of §58.208 will have a fiscal impact on the General Revenue Fund (GR). It is assumed that every new IT project/system will be bid out because all ITSD resources are at full capacity. The consultant rate of \$95 per hour is an estimated rate based on current contract(s) pricing.

The provisions of this proposal require modification of existing mainframe programs to accommodate an additional fee of \$1 for any death certificate issued, which will be deposited into the Missouri State Coroners' Training Fund. No additional on-going maintenance is indicated as the changes are to existing programs. Modifications will include a change to the default cost of a death certificate in the issuance application.

Necessary system changes are estimated to require 116.64 hours x \$95/hr = **\$11,081** in GR funding for FY 2021.

Officials from the **OA, Budget & Planning (B&P)** state §58.208, RSMo, establishes the Missouri State Coroners' Training Fund, which would receive one dollar of the death certificate fees collected under §193.265, RSMo, to be used by the Missouri Coroners' and Medical Examiners' Association (MCMEA) for in-state training, equipment, supplies, and aid to MCMEA approved training programs.

§193.265, RSMo, would be amended to increase the fee for a certified copy of a death certificate from \$13 to \$14 for the first copy obtained, and from \$10 to \$11 for subsequent copies. This \$1 fee increase would be distributed to the Missouri State Coroners' Training Fund established in Chapter 58, RSMo. The fee increase applies to certified copies of death certificates issued by the state and by the local registrar.

The Bureau of Vital Records and Local Public Health Agencies issue an average of 355,482 death certificates each year. Therefore, the \$1 fee increase on death certificates may result in a \$355,482 annual increase in total state revenue. This will also impact the calculation under Article X, Section 18(e).

ASSUMPTION (continued)

§193.145 - Medical certification and attestation

DHSS states the proposed legislation requires that the medical certification and attestation be included when filing a certificate of death. The current electronic system used to register death certificates, MoEVR, is not designed to allow medical certification and attestation by funeral directors, any other person in charge of final disposition of the dead body, or a person designated by the medical certifier. In addition to having to update the current system to be able to allow those individuals the ability to enter and attest to medical information, the system may have to be modified to prevent the automatic submission of electronic death certificates to allow the State of Missouri time to verify the medical information on the certificate. To change the system to allow attestation as proposed in this legislation would incur a fiscal impact to the state and will increase the time it would take for the citizens of Missouri to receive a death certificate.

OA, ITSD/DHSS state the provisions of the proposal relating to §193.145 will have an impact on GR. It is assumed that every new IT project/system will be bid out because all ITSD resources are at full capacity. The consultant rate of \$95 per hour is an estimated rate based on current contract(s) pricing.

The system 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 **\$54,293**;

- \$8,721 (91.80 hours x \$95 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 mainframe system changes and the programming changes needed for the MoEVR system. ITSD estimates the project would take:

§58.208 - mainframe changes	116.64 hours x \$95/hr =	\$11,081
§193.145 - MoEVR system modifications	91.8 hours x \$95/hr =	\$8,721
Project Assessment Quotation		<u>\$45,572</u>
Total Costs to General Revenue in FY 2021		\$65,374

ASSUMPTION (continued)

Oversight notes that an average salary for a current IT Specialist within ITSD is approximately \$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; however, for fiscal note purposes, Oversight will reflect the ITSD estimated cost of \$65,374 in FY 2021.

Bill as a whole

Oversight notes the **Department of Commerce and Insurance**, the **Department of Social Services**, the **Office of State Treasurer**, the **St. Louis County Medical Examiner**, the **Columbia/Boone County Department of Public Health and Human Services**, and the **St. Louis County Department of Public Health** have each stated the proposal would not have a direct fiscal impact on their respective 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 **Department of Revenue (DOR)** assume the proposal will have no fiscal impact on their organization but they defer to the Department of Health and Senior Services for fiscal impact. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect the no fiscal impact provided by DOR for fiscal note purposes.

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

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

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 \$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.

ASSUMPTION (continued)

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.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other counties, county treasurers, county assessors, county coroners, city treasurers, local public health agencies and sheriffs' departments were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
GENERAL REVENUE FUND			
<u>Costs</u> - OA, ITSD/DHSS (§58.208) - IT consultant costs	(\$11,081)	\$0	\$0
<u>Costs</u> - OA, ITSD/DHSS (§193.145) - ManTech PAQ and IT consultant costs	<u>(\$54,293)</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Costs</u> - OA, ITSD/DSS	<u>(\$65,374)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$65,374)</u>	<u>\$0</u>	<u>\$0</u>
MISSOURI STATE CORONERS' TRAINING FUND			
<u>Income</u> - DHSS (§§58.208 and 193.265) - Death certificate fee increase	<u>\$297,996</u>	<u>\$357,595</u>	<u>\$357,595</u>
ESTIMATED NET EFFECT ON THE MISSOURI STATE CORONERS' TRAINING FUND	<u>\$297,996</u>	<u>\$357,595</u>	<u>\$357,595</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
	<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 bill creates the "Missouri State Coroners' Training Fund". For any death certificate issued, there shall be a fee of \$1 deposited into the fund, which shall be used by the Missouri Coroners' and Medical Examiners' Association for the purpose of in-state training, equipment, and necessary supplies, and to provide aid to training programs approved by the commission. This fee shall be imposed and collected in addition to all other fees already being imposed and collected on the issuance of death certificates, resulting in the current total fee of \$13 being increased to \$14. Also, during states of emergency or disasters, local registrars may request reimbursement from the fund for copies of death certificates issued to individuals who are unable to afford the associated fees. (§58.208)

The bill specifies that if a coroner is not current on his or her training, the department may prohibit that coroner from signing any death certificates. In the event a coroner is unable to sign a death certificate, the county sheriff will appoint a medical professional to attest death certificates until the coroner can resume signing them or until another coroner is appointed or elected.

Currently, the medical certification from a medical provider is entered into the electronic death registration system. This bill 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. (§§193.145 and 193.265)

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 Commerce and Insurance
Department of Health and Senior Services
Department of Revenue
Department of Social Services
Governor's Office
Joint Committee on Administrative Rules
Office of Administration -
 Budget & Planning
Office of Secretary of State
Office of State Treasurer
Columbia/Boone County Department of Public Health and Human Services
St. Louis County Medical Examiner
St. Louis County Department of Public Health



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