

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1298-01
Bill No.: HB 463
Subject: Health Care; Health Care Professionals; Health, Public; Medical Procedures and Personnel; Physicians
Type: Original
Date: March 28, 2007

Bill Summary: This proposal requires the use of ethical vaccines unless no ethical vaccine exists for a specific disease or condition.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(Unknown but Greater than \$40,000)	(Unknown but Greater than \$40,000)	(Unknown but Greater than \$40,000)
Total Estimated Net Effect on General Revenue Fund	(Unknown but Greater than \$40,000)	(Unknown but Greater than \$40,000)	(Unknown but Greater than \$40,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
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 2008	FY 2009	FY 2010
Federal	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

*Income and costs of approximately \$60,000 would net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services** and the **Office of Administration** each assume the proposal would have no fiscal impact on their respective agencies.

Officials from the **Department of Social Services (DSS) - Division of Medical Services (DMS)** state the following:

Section 191.1000.1 and .2: Requires that beginning January 1, 2008 the state of Missouri will be prohibited from purchasing or paying for any vaccine that is not "ethical" unless there is not an ethical vaccine available. "Ethical" is defined as any vaccine that is not produced using cell culture derived from an aborted fetus.

Section 191.1000.3: Requires that beginning January 1, 2010 the state of Missouri shall not purchase or pay for any vaccine unless it is ethical.

The DMS assumes that this proposal intends to cover the payment or purchase of vaccine only and does not apply to the administration of the vaccine.

The proposal does not define who would be responsible for determining which vaccines are ethical vs. non-ethical.

Vaccines used in the federal entitlement Vaccines for Children program in Missouri are acquired directly from the Centers for Disease Control and Prevention (CDC). This program covers Medicaid, uninsured and under-insured children. No general revenue funds are used to purchase these vaccines. Therefore, there will be no fiscal impact due to this section.

Section 191.1000.4: Requires that parents and legal guardians of children as well as adults who are given vaccines that are not ethical shall be informed that the vaccine was manufactured using cell culture derived from an aborted fetus.

ASSUMPTION (continued)

The proposal does not state who shall make that notification. DMS assumes the provider will be responsible for providing this information. Currently, Vaccination Information Statements (VIS) published by the CDC are provided prior to vaccinations. This statement does not include information required by this legislation. Therefore, additional information would need to be supplied. If the DSS is required to make this notification there will be a cost for resources and staff to implement the notification for two years (January, 2008 - January, 2010). This cost is unknown.

DMS assumes that the proposal applies only to the payment or purchase of vaccine. However, if the intent of the proposal is to prohibit reimbursement for the administration of non-ethical vaccines then more children and adults will become sick and need medical services and treatment. That cost is unknown but greater than \$100,000.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
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GENERAL REVENUE FUND

Costs - Department of Social Services:
 DMS

Notification	(Unknown)	(Unknown)	(Unknown)
Reimbursement of Administration	<u>(Greater than</u>	<u>(Greater than</u>	<u>(Greater than</u>
Costs	<u>\$40,000)</u>	<u>\$40,000)</u>	<u>\$40,000)</u>
<u>Total Costs</u> - DOS/DMS	<u>(Unknown but</u>	<u>(Unknown but</u>	<u>(Unknown but</u>
	<u>Greater than</u>	<u>Greater than</u>	<u>Greater than</u>
	<u>\$40,000)</u>	<u>\$40,000)</u>	<u>\$40,000)</u>

**ESTIMATED NET EFFECT ON
 GENERAL REVENUE FUND**

<u>(Unknown but</u>	<u>(Unknown but</u>	<u>(Unknown but</u>
<u>Greater than</u>	<u>Greater than</u>	<u>Greater than</u>
<u>\$40,000)</u>	<u>\$40,000)</u>	<u>\$40,000)</u>

FEDERAL FUNDS

Income - Department of Social Services: DMS

Federal Assistance	Unknown but Greater than \$60,000	Unknown but Greater than \$60,000	Unknown but Greater than \$60,000
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Costs - Department of Social Services: DMS

Notification	(Unknown)	(Unknown)	(Unknown)
Reimbursement of Administration Costs	<u>(Greater than \$60,000)</u>	<u>(Greater than \$60,000)</u>	<u>(Greater than \$60,000)</u>
<u>Total Costs</u> - DOS/DMS	<u>(Unknown but Greater than \$60,000)</u>	<u>(Unknown but Greater than \$60,000)</u>	<u>(Unknown but Greater than \$60,000)</u>

ESTIMATED NET EFFECT ON FEDERAL FUNDS

\$0 \$0 \$0

FISCAL IMPACT - Local Government

FY 2008 (10 Mo.)	FY 2009	FY 2010
<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.

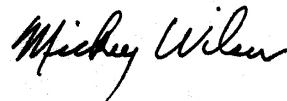
FISCAL DESCRIPTION

This legislation defines "ethical vaccine" and requires the use of ethical vaccines unless no alternative is available. After January 1, 2010, the state will no longer purchase or reimburse any vaccine other than an ethical vaccine.

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 Administration
Department of Health and Senior Services
Department of Social Services

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large, stylized 'M' and 'W'.

Mickey Wilson, CPA
Director
March 28, 2007