

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5389-01
Bill No.: HB 2353
Subject: Children and Minors; Optometry; Education, Elementary and Secondary
Type: Original
Date: April 13, 2010

Bill Summary: This proposal reauthorizes the Children's Vision Examination Program pursuant to the Missouri Sunset Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	\$0	\$0	(\$99,000)
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	(\$99,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Blindness Education, Screening and Treatment Fund	\$0	\$0	Less than \$99,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	Less than \$99,000

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
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 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** state this proposal will have no fiscal impact on their agency.

According to officials from the **Office of Secretary of State (SOS)**, many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the proposal. 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 \$2,500.

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.

According to Officials from the **Department of Health and Senior Services (DOHSS)**, Governor Jay Nixon signed Executive Order 09-11 on February 4, 2009 transferring the Blindness Education, Screening and Treatment (BEST) Program to the Department of Social Services effective August 28, 2009. The BEST Program includes the Children's Vision Examination Program. Currently the Department of Health and Senior Services, Bureau of Genetics and Healthy Childhood is implementing and operating the program through a pending Memorandum of Agreement with the Department of Social Services, which has actual authority for the program and will assume operation of the program July 1, 2010. There will be no additional fiscal impact for DOHSS.

According to officials from the **Department of Elementary and Secondary Education (DESE)**, this proposal appears to reauthorize §167.194 for another 8 years (until 6-30-20). DESE assumes costs as a result of reauthorization beginning 7-1-12.

"Fall enrollment numbers for 2009-2010 are:

Kindergarten	68,772
1st grade	<u>67,895</u>
TOTAL	136,667

According to personnel at the MO HealthNet Division, the number of MO HealthNet eligible

ASSUMPTION (continued)

five and six year olds was 60,064 as of October 2009; therefore, the potential number of children covered under this program decreases to 76,603 ($136,667 - 60,064 = 76,603$).

In addition, 8.7% of Missourians under age 18 were uninsured during the years 2007 through 2008 (source: Kaiser state health facts.org). Applying this percentage to our potential number of children yields a significant decrease in potential children covered under this program and brings the total to 6,664. ($6,664 \text{ children} \times \$70 \text{ exam} = \$466,480$)

This estimate is based on the percentage of children covered by public and private insurance. It should be noted that insurance plans may or may not cover a vision exam for a child who has no signs of vision problems and some policies will not cover vision services. Typically what is covered in "well child" exams is a vision screen or limited vision exam, not the comprehensive vision examination required by this proposal. As a result, the actual cost of this proposal may significantly exceed these estimates.

DESE is to work in conjunction with DOH to compile and maintain a list of sources to which children who may need vision exams or children who have been found to need further exams or correction may be referred for treatment on a free or reduced-cost basis. In addition, DESE must ensure the superintendent of schools, the principle of each elementary school, the school nurse or other person responsible for school health services, and the parent organization for each district elementary school receives an updated copy of the list each year prior to school opening. DESE assumes these requirements will result in administrative costs; however, DESE does not expect them to be significant.

In response to an identical proposal (SB 990 - FN 5035-02), officials from the **Department of Social Services (DOS) - MO HealthNet Division** assume the passage of the proposed legislation for the extension of the current program would not fiscally impact the MO HealthNet Division.

DOS officials also stated they do not have historical data regarding the amount of expenditures for screenings required by this provision. **Oversight** notes that funding of up to \$99,000 was to be provided from the Blindness Education, Screening and Treatment Program Fund for any additional costs of vision examinations that are not covered by existing public health insurance. **Oversight** further notes that in FY 09, \$125,366 was placed into the fund with disbursements of \$129,899. This included \$99,000 transferred from the BEST Fund per Executive Order 09-11. The appropriation for FY 10 was \$250,000 and the Governor's Recommendation for FY 11 is \$349,000. **Oversight** assumes the recommended appropriation includes the \$99,000 for vision exam costs outlined in this proposal.

ASSUMPTION (continued)

DESE assumes this proposal will result in unknown administrative costs to local school districts for tracking the examinations, corresponding with doctors and parents, and retaining necessary records. DESE cannot determine the fiscal impact, but assume it will be significant.

Officials from the **Parkway School District** and the **Francis Howell School District** assume this proposal will have no fiscal impact on their respective school districts.

Oversight assumes school districts would be able to do the required tracking and record keeping with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
GENERAL REVENUE			
<u>Cost</u> - Department of Social Services - Appropriation for Blindness Education, Screening and Treatment Fund	<u>\$0</u>	<u>\$0</u>	<u>(\$99,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0</u>	<u>\$0</u>	<u>(\$99,000)</u>
BLINDNESS EDUCATION, SCREENING AND TREATMENT FUND			
<u>Transfer In</u> - Funding for vision examination costs	\$0	\$0	\$99,000
<u>Disbursements</u> - Reimbursement of vision examination costs	<u>\$0</u>	<u>\$0</u>	<u>(Up to \$99,000)</u>
ESTIMATED NET EFFECT ON BLINDNESS EDUCATION, SCREENING AND TREATMENT FUND	<u>\$0</u>	<u>\$0</u>	<u>Less than \$99,000</u>

FISCAL IMPACT - Local Government

FY 2011
(10 Mo.)

FY 2012

FY 2013

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

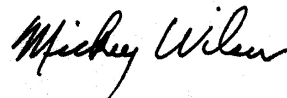
FISCAL DESCRIPTION

Current law (§167.194) contains a six-year sunset provision to the law requiring every child enrolling in kindergarten or first grade in a public elementary school to receive one comprehensive vision examination. This proposal reauthorizes the program as of July 1, 2012, pursuant to the sunset act and provides for the sunset of the program on June 30, 2020.

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 Elementary and Secondary Education
Department of Health and Senior Services
Department of Social Services
Department of Insurance, Financial Institutions and Professional Registration
Office of Secretary of State
 Administrative Rules Division
School Districts
 Parkway
 Francis Howell



Mickey Wilson, CPA
Director
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