

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4996-01  
Bill No.: SB 649  
Subject: Children and Minors; Health, Public; Boards, Commissions, Committees and  
Councils; Education, Elementary and Secondary  
Type: Original  
Date: February 20, 2012

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Bill Summary: This proposal reauthorizes and revises the Children's Vision Examination Program and Commission.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	(\$99,000)	(\$7,169)	(\$3,955)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$99,000)</b>	<b>(\$7,169)</b>	<b>(\$3,955)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Blindness Education, Screening and Treatment Fund*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Offsetting Transfers In and Disbursements are \$99,000 each year.

Numbers within parentheses: ( ) indicate costs or losses. This fiscal note contains 9 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
Federal Funds	\$0	Unknown - Up to \$145,888	Unknown - Up to \$150,994
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>Unknown - Up to \$145,888</b>	<b>Unknown - Up to \$150,994</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ 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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Missouri House of Representatives**, and the **Office of the State Treasurer** state this proposal will have no fiscal impact on their respective agencies.

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

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 with core funding. 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 **Missouri Senate** state this proposal either has no fiscal impact as it relates to their agency or minimal costs which can be absorbed by present appropriations.

According to officials from the **Department of Health and Senior Services (DOHSS)**, Executive Order 09-11 transferred the vision program to the Department of Social Services. It is assumed that the executive order will remain in effect. DOHSS will assist school nurses with implementing the bill as part of its normal consultation and technical assistance it provides to them.

DOHSS assumes the Office of Administration, Information and Technology Services Division (ITSD) will need to make a one-time change to a database because of this legislation. ITSD estimates it will need to change the current school health vision application to collect the appropriate information for the screening process at the Kindergarten level. The ITSD cost is \$2,700 based on 90 FTE hours calculated at \$30 per hour.

**Oversight** assumes OA-ITSD (DOHSS) is provided with core funding to handle a certain

ASSUMPTION (continued)

amount of activity each year. **Oversight** assumes OA-ITSD (DOHSS) could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA-ITSD (DOHSS) could request funding through the appropriation process.

Officials from the **Department of Elementary and Secondary Education (DESE)** provided fall enrollment numbers for 2010-2011:

Kindergarteners	68,901
1st graders	69,430
3rd graders	<u>67,329</u>
TOTAL	205,660

Those students screened under §167.195, who fail the eye screening, must be referred for a comprehensive vision examination. DESE cannot estimate the number of students who will fail and ultimately be referred. The costs of the comprehensive vision examination will be borne by the parents of the child being screened.

DESE is to work in conjunction with the Department of Health and Senior Services 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.

**Oversight** assumes DESE administrative costs associated with this proposal will be absorbed within existing resources.

Officials from the **Department of Social Services - MO HealthNet Division (MHD)** assume this proposal reauthorizes the program pursuant to the sunset act and provides for the sunset of the program on June 30, 2016. The requirements of the "new" program have changed. Beginning July 1, 2013, not every child enrolling in kindergarten or first grade will be required to have a comprehensive vision examination. Only those children who fail the initial screening at school and are referred for further evaluation will be required to have a comprehensive exam.

With passage of this proposed legislation MHD would see a savings over the "old" program. Currently all children (enrolling in kindergarten or first grade) are required to have a

ASSUMPTION (continued)

comprehensive vision exam, but the proposed legislation requires only those children who are referred by their public school to receive a comprehensive vision exam. It is assumed fewer children will receive the comprehensive vision exam.

In 2011, 7,264 five year olds (the age of five was used as a proxy for kindergarteners) received exams. Of those, 2,480 had a vision problem. It is assumed that under the proposed legislation the 4,785 students who did not have a vision problem would not be sent for comprehensive exam.

MHD assumes savings:  $4,785 \times \$48 \text{ exam cost} = \$229,680$ . There may be some children sent for exams who may not meet the criteria used for this calculation so the amount is the maximum savings.

There would be a cost of \$119,040 ( $2,480 \times \$48$ ) to screen 2,480 children.

MHD does not anticipate a significant cost for first and third graders since they are currently being screened by the schools. Although a follow-up comprehensive exam is not currently mandated by law, MHD assumes most of these children are already receiving the appropriate vision services.

Since the effective date is July 1, 2013 no savings will be realized in FY 13. For FY 14 and FY 15 a 3.5% trend was applied.

Officials from the **Department of Social Services - Family Support Division - Rehabilitation Services for the Blind** stated there is no impact to their division and that the annual cap on the Blindness Education Screening and Treatment Program (BEST) for reimbursement of vision examinations is \$99,000 a year.

**Oversight** assumes, based on the number of eligible, uninsured children, the funding will be completely utilized.

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 **Mexico School District** indicated no fiscal impact associated with this proposed legislation.

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ASSUMPTION (continued)

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

**This proposed legislation was sent to the following school districts, none of which responded to a request for fiscal impact: Blue Springs, Branson, Columbia, Fair Grove, Francis Howell, Independence, Jefferson City, Kirksville, Lee's Summit, Nixa, Raytown, Sedalia, Sikeston, Silex, Special School District of St Louis County, Spickard, Springfield, St Charles, St Joseph, St Louis City, Sullivan.**

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
<b>GENERAL REVENUE</b>			
<u>Savings</u> - Department of Social Services - Decrease in MoHealthNet eye exam reimbursements	\$0	Unknown - Up to \$91,831	Unknown - Up to \$95,045
<u>Cost</u> - Department of Social Services - Appropriation for Blindness Education, Screening and Treatment Fund	<u>(\$99,000)</u>	<u>(\$99,000)</u>	<u>(\$99,000)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(\$99,000)</u></b>	<b><u>(\$7,169)</u></b>	<b><u>(\$3,955)</u></b>
<b>BLINDNESS EDUCATION, SCREENING AND TREATMENT FUND</b>			
<u>Transfer In</u> - Funding for vision examination costs	\$99,000	\$99,000	\$99,000
<u>Disbursements</u> - Reimbursement of vision examination costs	<u>(\$99,000)</u>	<u>(\$99,000)</u>	<u>(\$99,000)</u>
<b>ESTIMATED NET EFFECT ON BLINDNESS EDUCATION, SCREENING AND TREATMENT FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Federal Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
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<u>Savings</u> - Decrease in eye exam reimbursements	<u>\$0</u>	Unknown - Up to <u>\$145,888</u>	Unknown - Up to <u>\$150,994</u>
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<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>Unknown - Up to \$145,888</u></b>	<b><u>Unknown - Up to \$150,994</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could result in a potential increase in revenue for eye care specialists and vision services businesses.

FISCAL DESCRIPTION

This proposed legislation extends the sunsets on the Children's Vision Examination Program and Children's Vision Commission from June 30, 2012, to June 30, 2016.

The proposal modifies the current Children's Vision Examination Program by requiring as of July 1, 2013, every child who is referred for a comprehensive vision examination to receive one comprehensive vision examination performed by a state licensed optometrist or physician. The program is further amended by requiring as of July 1, 2013, all public school districts to conduct an eye screening for each student once before the completion of kindergarten, once before the completion of first grade, and again before the completion of third grade.

The proposal also requires the school district to inform the parent or guardian, after a student fails the eye screening, that the student shall receive a mandatory comprehensive vision examination from an optometrist or physician. Current law requires the school district to propose to the parent that the student receive a comprehensive vision examination.

This proposal repeals the provisions pertaining to a pilot project conducted by the Children's

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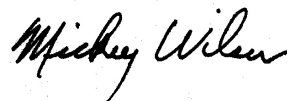
FISCAL DESCRIPTION (continued)

Vision Commission to track the results of eye screenings versus eye examinations.

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 Insurance, Financial Institutions and Professional Registration  
Joint Committee on Administrative Rules  
Missouri House of Representatives  
Missouri Senate  
Office of Secretary of State  
    Administrative Rules Division  
Office of State Treasurer  
Department of Social Services  
    MO HealthNet Division  
    Family Support Division  
    Rehabilitation Services for the Blind  
School Districts  
    Mexico  
    Parkway



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