

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5227-01  
Bill No.: SB 641  
Subject: Children and Minors; Health, Public; Education, Elementary and Secondary;  
Type: Original  
Date: March 5, 2012

Bill Summary: This proposal repeals the June 30, 2012 sunset of the Children’s Vision Examination Program.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	(\$99,000)	(\$99,000)	(\$99,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$99,000)</b>	<b>(\$99,000)</b>	<b>(\$99,000)</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 7 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>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</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 **Office of State Treasurer, Department of Insurance, Financial Institutions and Professional Registration** and the **Department of Health and Senior Services** state this proposal will have no fiscal impact on their respective agencies.

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.

According to officials from the **Joint Committee on Administrative Rules (JCAR)**, this proposal should not create any additional fiscal impact above current appropriations to JCAR.

According to officials from the **Department of Elementary and Secondary Education (DESE)**, §167.194 will sunset on June 30, 2012 unless reauthorized. This proposal appears to remove the sunset provision. DESE assumes costs beginning July 1, 2012.

Fall enrollment numbers for 2010-2011 are:

Kindergarten	68,901
1st grade	<u>69,430</u>
TOTAL	138,331

According to personnel at the MO HealthNet Division, the number of MO HealthNet eligible five and six year olds was 64,588 as of January 2012. Therefore, the potential number of children covered under this program decreases to 73,743 ( $138,331 - 64,588 = 73,743$ ).

In addition, 9.0% of Missourians under age 18 were uninsured during the years 2009 through 2010 (source: Kaiser state health facts.org). Applying this percentage to the potential number of

ASSUMPTION (continued)

children yields a significant decrease in potential children covered under this program and brings the total to 6,637. (6,637 children x \$70 exam = \$464,590)

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.

**Oversight** assumes the initial implementation costs of the program have already occurred and the continuing costs will only be those associated with maintaining the program.

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.

**Oversight** assumes, based on responses from school districts, that there is little, if any cost, to school districts and continued tracking and record keeping can be done with existing resources.

Officials from the **Department of Social Services** state this proposal will not fiscally impact the MO Healthnet Program.

Officials from the **Department of Social Services - Family Support Division - Rehabilitation Services for the Blind** state 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.

ASSUMPTION (continued)

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

Officials from the **Mexico School District, Parkway School District** and the **Special School District of St Louis County** state this proposal will have no fiscal impact on their school districts.

In response to the same proposal from last year (HB 677 FN 1604-02), officials from the **Independence School District** stated this proposal would have no fiscal impact on their school district.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
<b>GENERAL REVENUE</b>			
<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>(\$99,000)</u></b>	<b><u>(\$99,000)</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 - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<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

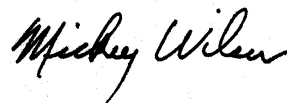
This proposal removes the June 30, 2012 expiration date of the provision requiring every child enrolling in kindergarten or first grade in a public school to receive one comprehensive vision examination by a licensed optometrist or physician.

This proposal 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 Elementary and Secondary Education  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Social Services  
    MO HealthNet Division  
    Family Support Division - Rehabilitation Services for the Blind  
Department of Health and Senior Services  
Office of Secretary of State  
    Administrative Rules Division  
Joint Committee on Administrative Rules  
School Districts  
    Special School District of St Louis County  
    Mexico  
    Parkway  
    Independence



L.R. No. 5227-01  
Bill No. SB 641  
Page 7 of 7  
March 5, 2012

Mickey Wilson, CPA  
Director  
March 5, 2012

LMD:LR:OD