

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0142-01
Bill No.: HB 239
Subject: Education, Elementary and Secondary; Health, Public
Type: Original
Date: April 10, 2017

Bill Summary: This proposal provides that each child enrolled in kindergarten or first grade is to receive a comprehensive vision examination.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
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 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
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 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Elementary and Secondary Education (DESE)** assume that based on the enrollment information from the MCDS portal, 2016 enrollment numbers are:

Kindergartners	67,032
1st graders	<u>68,802</u>
TOTAL	135,834

According to personnel at the Department of Social Services, DFAS Research and Data Analysis Unit, the number of Medicaid eligible five and six year olds was 70,864 as of November 2016. Therefore, the number of children to potentially accrue costs under this program decreases to 64,970 (i.e. $135,834 - 70,864 = 64,970$).

In addition, 5% of Missourians under age 18 were uninsured during 2015 (source: Kaiser state health facts.org). Applying this percentage yields a significant decrease in the number of children to potentially accrue costs under this program and brings the total to 3,248. $3,248 \text{ children} \times \$60 \text{ exam} = \$194,880$.

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. Therefore, the actual cost of this proposal may significantly exceed these estimates.

DESE is to work in conjunction with 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. We assume these requirements will result in administrative costs; however, we do not expect them to be significant.

DESE assumes this proposal will result in administrative costs to local school districts for tracking the examinations, corresponding with doctors and parents, and retaining necessary records.

ASSUMPTION (continued)

Officials at the **Department of Health and Senior Services** and the **Department of Social Services** each assume there is no fiscal impact from this proposal.

Officials at the **Concordia R-II School District** assume that according to the internet the average cost of an eye exam is \$144. Missouri Kids County indicates that 6% of students in Missouri have no health care and there is a strong likelihood in a town with only a part-time optometrist that part of the expense for this requirement (the other category) could easily be passed on to the district. Which in our small district with an average of 42 kindergartners means the district may be on the hook for at least 3 eye exams costing \$542.

Officials at the **Kirksville School District** assume this could be an unfunded mandate because of the term “other form of payment.” The district’s nurses are certified to perform the exam. The district is unable to determine the impact from the proposal at this time.

Officials at the **Pettis County R-XII** and the **West Plains** school districts each assume there is no fiscal impact from this proposal to their respective district.

Oversight notes this proposal reinstates the requirement that all children entering kindergarten or first grade shall receive one comprehensive vision exam. Oversight notes this proposal was originally adopted in SB 16 of 2007. SB 16 contained a sunset clause and sunset as of June 30, 2012. This proposal would reinstate the sunset beginning on August 28, 2017 and ending June 30, 2022.

Oversight requested from DESE the amount paid by DESE for the uninsured children under the previously sunset program. DESE stated they had no record of payments being made. Oversight notes that school districts currently collect information about immunizations and could collect this required information at the same time. Oversight will not show an impact from this proposal.

Oversight notes this proposal requires school district to collect proof of the eye exam. That proof is to include the results of the exam, as well as the cost of the exam and method of payment. Acceptable payment methods can include payment by MoHealthNet. This proposal does not require DESE or a school district to pay for the exam. Therefore, Oversight assumes this proposal would not have any additional fiscal impact on the state or school districts.

Officials at the following school districts: Arcadia Valley R-2, Avilla R-13, Bakersfield, Belton, Benton County R-2, Bismark R-5, Bloomfield R-14, Blue Springs, Bolivar R-I, Bowling Green R-1, Branson, Brentwood, Bronaugh R-7, Campbell R-2, Carrollton R-7, Caruthersville, Central

ASSUMPTION (continued)

R-III, Chilhowee R-4, Chillicothe R-II, Clarkton C-4, Cole R-I, Columbia, Crawford County R-1, Crocker R-II, Delta C-7, East Carter R-2, Eldon R-I, Everton R-III, Fair Play, Fayette R-3, Forsyth R-3, Fox C-6, Fredericktown R-I, Fulton, Grain Valley, Hancock Place, Hannibal, Harrisonburg R-8, Harrisonville, Hillsboro R-3, Hollister R-5, Humansville R-4, Hurley R-1, Independence, Jefferson City, Kansas City, Kearney R-1, Kennett #39, King City R-1, Kingston 42, Kirbyville R-VI, Lee Summit, Leeton R-10, Lewis County C-1, Lincoln R-II, Lindbergh, Lonedell R-14, Macon County R-1, Malta Bend, Mehville, Meramec Valley R-3, Mexico, Middle Grove C-1, Midway R-1, Milan C-2, Moberly, Monroe City R-I, Morgan County R-2, New Haven, Nixa, North Kansas City, North St. Francois Co. R-1, Northeast Nodaway R-5, Odessa R-VII, Oregon-Howell R-III, Orrick R-11, Osborn R-0, Parkway, Pattonville, Pierce City, Plato R-5, Princeton R-5, Raymore-Peculiar R-III, Raytown, Reeds Springs R-IV, Renick R-5, Republic R-III, Richards R-V, Richland R-1, Richmond R-XVI, Riverview Gardens, Salisbury R-4, Sarcoxie R-2, Sedalia, Seymour R-2, Shell Knob #78, Sikeston, Silex, Smithville R-2, Special School District of St. Louis County, Spickard R-II, Springfield, St Joseph, St Louis, St. Charles, St. Elizabeth R-4, Sullivan, Valley R-6, Verona R-7, Warren County R-3, Warrensburg R-6, Waynesville, Webster Groves, Wentzville, Westview C-6 and the Wright City R-2 school districts did not respond to Oversight’s request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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

The proposed legislation appears to have no direct fiscal impact.

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
Concordia R-II School District
Kirksville R-III School District
Pettis County R-XII School District
West Plains School District

Mickey Wilson, CPA

Director
April 10, 2017



Ross Strope
Assistant Director
April 10, 2017