

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB805

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Englin

3. Committee: Health, Welfare and Institutions

4. Title: **Advance Health Care Directive Registry**

5. Summary: Requires the Department of Health to create and maintain a secure online central registry for advance health care directives. The registry shall be accessible to health care providers licensed by the Board, through a site maintained by the Department of Health.

6. Fiscal Impact Estimates:

6a. Expenditure Impact:

	<i>Dollars</i>		
<i>Fiscal Year</i>	<i>GF</i>	<i>NGF</i>	<i>Positions</i>
2008	-	-	0.0
2009	\$899,943	-	6.0
2010	\$912,417	-	6.0
2011	\$912,417	-	6.0
2012	\$912,417	-	6.0
2013	\$912,417	-	6.0

6b. Revenue Impact:

	<i>Dollars</i>		
<i>Fiscal Year</i>	<i>GF</i>	<i>NGF</i>	<i>Positions</i>
2008	-	-	0.0
2009	\$144,000	-	0.0
2010	\$144,000	-	0.0
2011	\$144,000	-	0.0
2012	\$144,000	-	0.0
2013	\$144,000	-	0.0

7. Budget Amendment Necessary: Yes.

8. Fiscal Implications: In order for the Virginia Department of Health (VDH) to implement and maintain the Registry, additional staff, systems development, facilities, and education would be required. Although the bill allows VDH to charge a fee of \$10 for filing a document in the registry, it is estimated that it will not be sufficient to maintain the cost of the program. Assuming that registrations will occur at approximately 10 percent at the rate of the Virginia Transplant Council Registry, 14,400 could be added each year, which results in a total of \$144,000 in revenue per year.

In addition, since the bill requires that the Board of Medicine provide user authentication based on licensure status, a link between the two agencies would need to be established in order to meet the requirement.

The agency currently operates several registries that are used to estimate the cost of establishing and maintaining the Advance Health Care Directive Registry. Using an average for the resources required to operate three existing registries, it is estimated that establishing and maintaining the Advance Health Care Directive Registry would require approximately six full time equivalent employees (FTEs) and \$895,143 annually ($[\$1,097,430 + \$288,000 + \$1,300,00]/3 = \$895,143$). The expenditure impact is based on the following:

- 1) The Virginia Cancer Registry (VCR) is a statewide registry of data on individuals diagnosed or treated for cancer in Virginia or Virginia residents who received care out of state. Each hospital, clinic, and independent pathology laboratory reports information on patients having malignant tumors or cancers. A physician reports information on a patient having cancer unless he has determined that a hospital, clinic or in-state pathology laboratory has already reported the information. General fund expenditures for the Virginia Cancer Registry for State Fiscal Year 2007 were \$354,712; federal fund expenditures for this period were \$742,718 for a total of \$1,097,430. These funds covered the cost of 11 FTEs, facilities, training, systems maintenance, and other operating costs.
- 2) The Virginia Congenital Anomalies Reporting and Education System (VACARES) is a birth registry of children under age two with congenital anomalies. VaCARES staff members collect epidemiological data and inform families about appropriate treatment programs. The annual cost of operating this registry is \$288,000; the registry employs approximately three FTEs.
- 3) The budget for the Virginia Immunization Information System totals \$1.3 million in federal funds awarded to VDH by the Centers for Disease Control and Prevention. This includes three FTEs as well contracted system development services.

In addition, the estimates include the following: one-time computer and printer costs (\$800 x 6) which totals \$4,800, a three percent salary increase in FY 2010 (based on each FTE salary and fringes of \$50,000), \$9,000, and on-going VITA costs (\$1,379 x 6) which totals \$8,274.

9. **Specific Agency or Political Subdivisions Affected:** Virginia Department of Health, Department of Mental Health, Mental Retardation, and Substance Abuse Services, and Department of Health Professions

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** The Virginia Transplant Council is currently mandated to create, compile, maintain and modify the Virginia Donor Registry. A substantial portion of the information housed within this registry is provided by the Department of Motor Vehicles (DMV) driver's license organ donor check. This section of the bill appears to duplicate efforts already in existence. As noted, developing and maintaining the computer system will create a fiscal impact. However, adding this function to Department of Health Professions' (DHP) provider system may decrease the costs.

Legislation is identical to SB 290.

Date: 1/16/2008 lrj

Document: HB805.doc

cc: Secretary of Health and Human Resources