

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 1, 2003

TO: Honorable Jaime Capelo, Chair, House Committee on Public Health

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2651 by Kuempel (Relating to the cancer registry.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2651, As Introduced: a negative impact of (\$2,331,359) through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$1,173,870)
2005	(\$1,157,489)
2006	(\$1,148,989)
2007	(\$1,163,489)
2008	(\$1,168,989)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND 1</i>	Probable Revenue Gain/ (Loss) from <i>PUB HEALTH SVC FEE ACCT 524</i>	Change in Number of State Employees from FY 2003
2004	(\$1,173,870)	\$30,500	4.0
2005	(\$1,157,489)	\$61,000	4.0
2006	(\$1,148,989)	\$86,500	4.0
2007	(\$1,163,489)	\$111,000	4.0
2008	(\$1,168,989)	\$112,000	4.0

Fiscal Analysis

The bill would amend the Health and Safety Code to requires the Cancer Registry to be a nationally certified registry that meets the North American Association of Central Cancer Registry (NAACCR) “gold standard” in terms of the completeness, timeliness and quality of its data. The bill would require the Texas Department of Health (TDH) to report to the Legislature when the Cancer Registry complies with the NAACCR’s ‘gold standard’ and achieves national certification. The Act would take effect September 1, 2003.

The “gold standard” is recognized by the U.S. Centers for Disease Control and Prevention (CDC), and attaining this standard would enable the state and Texas research institutions to qualify for additional federal funds.

Methodology

The estimated fiscal impact is based on the following assumptions made by the Texas Department of Health (TDH):

1. Current funding level for the cancer registry program will be maintained.
2. The TDH Cancer Registry would implement the necessary components to achieve The NAACCR gold standard rating.
3. The department would phase in the efforts to achieve certification by hiring four new FTEs effective December 1, 2003, requiring only 75 percent of yearly salaries and benefits for fiscal year 2004, a total cost of \$111,325. Total cost for salaries and benefits are estimated to be \$148,433 fiscal years 2005-2008.
4. The department would use contract staff to supplement the data collection, record coding and processing, data quality audits and reporter training, but contract services would not be used to support these complete registry functions. Estimated costs are \$950,000 fiscal year 2004, \$810,000 fiscal year 2005, \$886,500 fiscal year 2006, \$901,000 fiscal year 2007, and \$906,500 fiscal year 2008.
5. Estimated costs for other operating expenses are \$83,927 fiscal year 2004, \$182,056 fiscal year 2005, \$108,056 fiscal year 2006, and \$107,056 for fiscal years 2007-2008.
6. Under current federal regulations, when gold certification is reached (fiscal year 2006), the TDH Cancer Registry, cancer researchers and universities would be eligible for additional federal funding using this certified data.
7. Beginning January 1, 2004 (after approved rule changes), fees would be charged for data requests requiring more than one hour of staff and/or computer time and for data linkage studies. The estimated fees are:
 - a. average fee for standard data request, \$40 (estimated requests: 125 in 2004, 250 in 2005);
 - b. average fee for special data request, \$700 (estimated requests: 15 in 2004, 30 in 2005);
 - c. average fee for standard data linkage request (<10,000 records), \$2,500 (estimated requests: 2 in 2004, 4 in 2005); and
 - d. average fee for special data linkage request (10,000+ records), \$10,000 (estimated requests: 1 in 2004, 2 in 2005).

Technology

The Department of Health assumes the following technology costs for fiscal year 2004: four desktop computers, \$7,400; two laptop computers, \$4,718; one printer, \$2,500; disk storage for pathology lab reports, \$7,000; and IT contract programming services for training tutorial, \$50,000 (included in the contract costs above). For fiscal year 2005 a cost of \$10,000 for a replacement file server is assumed. A cost of \$7000 per year for fiscal years 2004-2008 is assumed for encryption software license renewal.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 501 Department of Health

LBB Staff: JK, JO, KF, EB