

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 808 - A**79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office**Only Impacts on Original or Engrossed
Versions are Considered Official**Prepared by: Meg Bushman-Reinhold
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Date: 4/18/2017**Measure Description:**

Provides that with respect to health screen testing for newborns, Oregon Health Authority shall specify that health testing service may conduct tests for conditions listed on most recent edition of Recommended Uniform Screening Panel by United States Department of Health and Human Services.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Legislative Assembly

Summary of Expenditure Impact:

	2017-19 Biennium	2019-21 Biennium
Other Funds	1,022,163	2,346,418
Federal Funds		
Total Funds	\$1,022,163	\$2,346,418
Positions	5	5
FTE	2.01	5.00

Analysis:

This bill directs the Oregon Health Authority (OHA) to specify in rule, with respect to newborn health screen testing, that a health testing service may conduct tests for conditions listed in the most recent edition of the Recommended Uniform Screening Panel. It also requires OHA to adopt rules specifying a newborn screening test when the federal Food and Drug Administration (FDA) approves of a new methodology after a health condition is added to national guidelines and requires screening laboratories that provide testing of newborns to implement FDA approved tests no later than three years after a condition is added to national guidelines.

The bill also establishes the Review Committee on Health Screen Testing for Newborns, consisting of one person each from the Senate and House of Representatives as non-voting members, and 7 members appointed by the Governor. The Review Committee is directed to study, evaluate, and make proposals regarding: availability of tests, processes used to determine what test should be conducted, processes used to monitor and follow up on tests, feasibility of tests other than blood or tandem mass spectrometry screening, impact of genomic sequencing on tests, reimbursements for tests, adequacy of the Northwest Region Newborn Screening Program, current methods of funding, and any other matters related to newborn health screen testing. OHA is to provide staff support to the committee. The bill repeals the section establishing the committee on December 31, 2018.

Oregon Health Authority

This bill will expand testing services conducted by the Oregon State Public Health Lab (OSPHL). Preliminary work to bring tests on-line is estimated to take 12 months before testing may begin. Existing staff will do this preliminary work.

There are two screenings that will be added for testing in the next biennium: Lysosomal Storage Disorder (LSD) and X-ALD. For LSD screening, OSPHL will need two Microbiologist 2's and one

Program Analyst 3. One microbiologist position will begin in October 2018 at the proposed start of LSD testing. The other microbiologist position will begin in July 2018; and the program analyst position will start in April 2018. These positions will be established prior to the start of testing to assist in implementation. For X-ALD screening, one Microbiologist 2 and one Administrative Specialist 2 will be established in January 2019.

Additional costs include:

- \$180,000 annually each for LSD test kits 1st specimens and 2nd specimens and \$270,000 annually for X-ALD test kit 2nd specimens. (These costs are pro-rated in AY17-19 due to the testing start dates.)
- \$11,200 a biennium for Oregon Health and Science University (OHSU) program consulting
- \$56,180 a biennium for OHSU case consulting
- \$150,000 for contractual costs related to programing in AY17-19 with \$20,000 annually in ongoing maintenance costs.

The State Public Health Lab would need to raise the fees on newborn test kits to fund these additional costs. OHA had submitted a Policy Option Package (POP) to raise fees for the next biennium, but this bill will require an additional increase. The POP requests an increase for single test kits to \$59 and double and triple test kits to \$80, to go into effect September 2017. OHA estimates that to implement this bill, single test kits fees would need to increase to \$81 and double and triple test kit fees would need to increase to \$112. OHA would do additional analysis prior to setting specific fee increases.

This bill also requires rule writing activity, Review Committee participation, and committee staffing from OHA. OHA can absorb these tasks as part of its normal business operations.

Legislative Assembly

The bill specifies that non-legislative members of the task force serve as volunteers and are not entitled to compensation and reimbursement. However, two members of the task force will be legislative members who are entitled to per diem and travel reimbursement. The estimated per diem and travel reimbursement cost for the four legislative members is \$402 per day. This amount includes the Federal Insurance Contribution Act (FICA) tax, and assumes per diem remains at \$142 per day, and the average mileage of 90 miles at the current rate of \$0.535 per mile. Although the 2017-19 Legislative Assembly budget contains funds allocated for interim committee and task force, if the work required by this task force, or if the cumulative enactment of other legislation with interim committees and task forces exceeds expenditure levels beyond those assumed in the 2017-19 budget, additional General Fund resources may be required. The task force would not incur additional costs to the Legislative Assembly budget if the meetings are held at the Capitol building during Legislative Session, Task force or Legislative Days.