# Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: HB 44 (A)
Fiscal Note Number:
() Publish Date:

Identifier: HB044-DHSS-EP-2-9-13
Title: ADVANCE HEALTH CARE DIRECTIVES REGISTRY
Sponsor: ** HOLMES, MILLETT
Requester: House Health & Social Services Committee

Department: Department of Health and Social Services
Appropriation: Public Health
Allocation: Emergency Programs
OMB Component Number: 2877

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

| | FY2014 Appropriation Requested | Included in Governor's FY2014 Request | Out-Year Cost Estimates | | | | |
|---|---|---|---|---|---|---|---|
| **OPERATING EXPENDITURES** | **FY 2014** | **FY 2014** | **FY 2015** | **FY 2016** | **FY 2017** | **FY 2018** | **FY 2019** |
| Personal Services | 112.0 | | 112.0 | 84.0 | 56.0 | 56.0 | 56.0 |
| Travel | 11.0 | | 5.5 | 5.5 | 5.0 | 4.0 | 4.0 |
| Services | 10.0 | | 80.5 | 20.0 | 20.0 | 20.0 | 20.0 |
| Commodities | 4.5 | | 4.5 | 3.0 | 2.0 | 2.0 | 2.0 |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| **Total Operating** | **137.5** | **0.0** | **202.5** | **112.5** | **83.0** | **82.0** | **82.0** |
| **Fund Source (Operating Only)** | | | | | | | |
| 1004 Gen Fund | 137.5 | | 202.5 | 112.5 | 83.0 | 82.0 | 82.0 |
| **Total** | **137.5** | **0.0** | **202.5** | **112.5** | **83.0** | **82.0** | **82.0** |
| **Positions** | | | | | | | |
| Full-time | 1.0 | | 1.0 | 0.8 | 0.5 | 0.5 | 0.5 |
| Part-time | | | | | | | |
| Temporary | | | | | | | |
| **Change in Revenues** | | | | | | | |

**Estimated SUPPLEMENTAL (FY2013) cost:** 0.0

**Estimated CAPITAL (FY2014) cost:** 0.0

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/15

**Why this fiscal note differs from previous version:**

Not applicate, initial version.


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Division: Public Health — Date: 02/08/2013 12:00 AM
Approved By: Sarah Woods, Deputy Director — Date: 02/09/13
Finance & Management Services

**FISCAL NOTE ANALYSIS**

**STATE OF ALASKA** **BILL NO.** HB044
**2013 LEGISLATIVE SESSION**

## Analysis

The intent of this bill is to create a central registry for access to advanced health care directives by health care facilities, hospitals, and individuals. Participation is voluntary. The directory will include names of individuals who have filed a directive with the registry and scanned copies of the directives. An individual who has made a written directive for himself may file it (scanned copies) with the registry. The department is not required to review directives for validity and will remove directives from the registry if requested. The registry is confidential and access is limited to the patient, designated representatives, and the health care facility to which the patient is admitted. The department may charge a fee to cover administrative costs for filing a directive in the registry or providing a copy, but not for removal of a directive or responding to an inquiry. A fee might offset administrative costs but would likely reduce participation. This fiscal note assumes there will be no fee.

Our research indicates that seven states have participated in or had central state registries. Some states have developed their own registries. We believe that contracting for the service is less costly than having the department build it. Modeled after a previous effort in the State of Washington, the department proposes to contract with a national registry to maintain the data securely with 24 hour online access. Start up contractual costs are estimated at $70.5 include training, software, licensing, system configuration, and toll-free hotline. Ongoing, the estimated annual license and information technology cost of $20.0 based on 5,000 participants (minimum rate). Actual costs will vary if the number of participants exceeds 5,000. The current cost is $1.00 per participant per year over 5,000 participants.

The potential number of directives is difficult to estimate. Based on the experience of other registry states, Alaska could expect fewer than 1,000 directives. However, anecdotal information suggests that the Anchorage Providence Hospital alone, which serves about half the population of Anchorage, has more than 1,000 directives on file. If that level of volume held true statewide, the registry database could include 4,000 directives. This fiscal note assumes that Alaska's number of users will not exceed the 5,000 base.

There will be a considerable need initially to educate the stakeholders of the security and the benefits of the program. One FTE, a Public Health Specialist II (R20/A), will be necessary to draft regulations for the collection, storage, access, distribution, removal, and disposal of directives in the registry, and a schedule for removing directives from the registry; create Alaska specific information packets; establish a secure system; respond to a toll-free hotline; support users with technical assistance; and travel to provide community outreach. By the third year, the program will be fully operational and outreach efforts can be scaled back to 0.75 FTE and level off at 0.50 FTE thereafter.

Extensive regulations will need to be established in consultation with the various criteria and procedures for the collection, storage, access, distribution, removal and disposal of directives in the registry; and to establish a schedule for removing directives and assure compliance with state and federal privacy laws. Costs for the regulation package of $10.0 would be needed in Years 1 & 2. The registry would be installed during Year 2 so that as soon as regulations are effective the registry will be ready.

The Alaska Health Care Commission recommends that such a registry be aligned with the Statewide Health Information Exchange. That kind of interoperability could increase the cost.