

# BDR 40-95

## SB 189

### EXECUTIVE AGENCY FISCAL NOTE

#### AGENCY'S ESTIMATES

Date Prepared: March 4, 2015

Agency Submitting: Department of Health and Human Services, Division of Public and Behavioral Health

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
Motor Vehicle Insurance Assessment (Revenue)		\$550,000	\$1,100,000	\$2,200,000
Home Owners Insurance Assessment (Revenue)		\$450,000	\$900,000	\$1,800,000
Information Services - V5 upgrade (Expense)		\$35,750	\$22,250	\$44,500
Information Services - Additional Modules (Expense)		\$45,500	\$14,500	\$29,000
Personnel Related (Expense)		\$80,610	\$141,999	\$301,529
Total	0	\$838,140	\$1,821,251	\$3,624,971

#### Explanation

(Use Additional Sheets of Attachments, if required)

BDR 40-95 requires the Division of Public and Behavioral Health to develop and operate a system for the management of information concerning the treatment of trauma. Please see the attached Summary sheet (Exhibit 1).

Name Mark Winebarger

Title ASO IV

#### DEPARTMENT OF ADMINISTRATION'S COMMENTS

The agency's response appears reasonable.

Date Wednesday, March 04, 2015

Name James R. Wells, CPA

Title Interim Director

BDR 40-95 requires the Division of Public and Behavioral Health to develop and operate a system for the management of information concerning the treatment of trauma.

Per sections five and six, the trauma system is to be funded by a \$1 assessment on each motor vehicle insurance policy issued in the state and a \$1 assessment on each home owner's insurance policy issued in the state.

- According to the DMV, as of January 31, 2015 there were 2,241,459 registered vehicles in Nevada. By applying a six percent uninsured rate to the number of registered vehicles and using an average of 1.85 vehicles per household, DPBH estimates 1,138,903 insurance policies are maintained in Nevada. \$1.1 million in motor vehicle insurance assessments will be used in this fiscal note.
- Information provided by the state demographer from 2013 indicates there are slightly more than 1 million households in Nevada. Since unmortgaged properties may not carry insurance, the Division will use a speculative 900,000 as the number of home owner insurance policies issued annually in Nevada. Since it is beyond the division's ability to determine how this bill would assess insurance policies on multi-unit properties, the number of households in Nevada was used in this fiscal note.
- **This fiscal note assumes assessments will be transferred to the Division from the insurers beginning very early in calendar year 2016. If the insurers cannot transfer the assessments early in calendar year 2016, the implementation of the Trauma System would be delayed, as the Division does not have other resources to cover the projected costs.**

Based on a quote from our current system provider, it would cost an additional \$35,750 to upgrade to the required version 5 of the current registry database. Additionally, license and maintenance costs would be an additional \$22,250 annually.

Additional modules are needed to meet the requirements of BDR 40-95 to create a trauma system beyond a trauma registry. This includes purchasing two modules to incorporate EMS data and hospital electronic health record data. These modules are estimated to cost \$45,500 with \$14,500 annually in license and maintenance costs.

The Division has determined it will also need a Biostatistician II and an Education and Information Officer to meet the requirements of BDR 40-95. This would allow the program to analyze the collected data and create targeted educational programs to reduce the incident of trauma. Please see Exhibits 3, 4 and 5.

Revenues in excess of expenditures could be sub-granted to partners such as trauma hospitals and the Southern Nevada Health District.

Grants from the Assistant Secretary for Preparedness and Response (ASPR) and the Centers for Disease Control and Prevention (CDC) currently fund personnel and related costs for the Trauma program as it currently operates. If this BDR is approved, the assessment revenues could replace up to \$131,000 in federal funding each year, which may be reallocated back to emerging preparedness efforts such as Ebola and Measles.