

HF1888 - 2A - Mortuary Science; Allowed Unlicensed Activities

Chief Author: **John Huot**
 Committee: **Health Finance and Policy**
 Date Completed: **4/1/2022 1:37:03 PM**
 Agency: **Health Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024
State Government Special Rev	-	-	82	(5)	(76)
Total	-	-	82	(5)	(76)
Biennial Total			82		(81)

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
State Government Special Rev	-	-	.25	.25	.25
Total	-	-	.25	.25	.25

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Carlos Guereca **Date:** 4/1/2022 1:37:03 PM
Phone: 651-284-6541 **Email:** carlos.guereca@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2	Biennium			Biennium	
Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
State Government Special Rev	-	-	82	(5)	(76)
Total	-	-	82	(5)	(76)
Biennial Total			82		(81)
1 - Expenditures, Absorbed Costs*, Transfers Out*					
State Government Special Rev	-	-	219	132	61
Total	-	-	219	132	61
Biennial Total			219		193
2 - Revenues, Transfers In*					
State Government Special Rev	-	-	137	137	137
Total	-	-	137	137	137
Biennial Total			137		274

Bill Description

This bill permits a new type of registration called transfer care specialists within the practice of mortuary sciences regulated by the department. It also permits the extended refrigerated storage of decedents awaiting final disposition in certain situations while providing a reporting mechanism for such situations allowing the department to investigate any complaints regarding the extended refrigerated holding. Fees under Minnesota Statutes, section 149A.65 apply to the transfer care specialists, with a blank fee amount for transfer care specialists. The bill does not have an effective date. There is no appropriation.

Assumptions

We assume that MDH's work to implement the bill's requirements would begin at the start in fiscal year 2023.

Under Minnesota Statutes, chapter 149A, the department is required to license and register persons and entities, conduct inspections, and investigate complaints regarding the practice of mortuary science in the state. The bill will add a new category of person, transfer case specialists, which when properly credentialed will be able to conduct specific mortuary science activities within the state.

The department licenses 620 morticians in the state. The bill permits each licensed mortician to have up to six transfer care specialists working under them and could potentially add over 3,600 individuals to the department's regulatory oversight and complaint investigation workloads. We assume the additional efforts will require 0.25 FTE Health Program Representative time to register, ensure accuracy in the registrant's materials, and verify the registration applicant meets the bill's registration requirements. We also assume Mortician Investigator time for regulatory oversight and complaint investigative time will be de minimus.

Current law permits a funeral establishment six calendar days to hold a decedent awaiting final disposition. This bill permits the extended refrigerated holding of a decedent awaiting final disposition for more than 30 days. The bill requires the funeral establishment to report to the department on a form developed by the commissioner that will include the funeral establishment's plan for achieving the final disposition of the decedent. The department assumes it will use current funeral establishment reporting processes along with developing a new form to meet this requirement. The form will be made available on the department's website to which funeral establishments required to notify the commissioner may download the form, complete it, and return it electronically to the department.

This bill also permits up more than 30 calendar days of refrigerated storage at a funeral establishment for decedents awaiting final disposition. The department assumes the number of 30 or more calendar day reports coming into it resulting from the new requirement will pose a de minimus increase in overall staff time volume and workloads. However, there is a

technology solution need for this requirement.

The technology solutions for this bill requires enhancement of current software and development and implementation of additional software to create a paperless, electronic registration system. The necessary software will be utilized for electronic initial registration applications and registration renewal submissions with online payments. The bill requires the department to track registrants and the licensed morticians supervising them so tracking will need to be built into the department's current software systems. Additional updates will also be necessary to the department's current complaint investigation and enforcement software. The bill requires a form be submitted to the department if a body is held in storage for longer than 30 days so an electronic form will need to be built. It is estimated this form cost will total \$28,200 for fiscal year 2023 to develop and implement. The department estimates total technology costs to address this bill at \$157,976 in fiscal year 2023 and \$86,518 in fiscal year 2024 with an ongoing maintenance cost of \$28,036 beginning in fiscal year 2025.

The bill authorizes that the appropriate fees in Minnesota Statutes, section 149A.65, also apply to transfer care specialists. We assume 200 transfer care specialists will conduct either an initial registration or renewal each year. For the blank fee amount to recover costs, it would be at \$687 per new registrant or renewal.

Expenditure and/or Revenue Formula

Expenditure

Expenditure (Actual Dollars)	Amount	FY 2022	FY 2023	FY 2024	FY 2025
Salary & Fringe:		FTE	FTE	FTE	FTE
Health Program Rep	87,163		0.25	0.25	0.25
	FTE	0.00	0.25	0.25	0.25
	Subtotal	0	21,791	21,791	21,791
Information Technology:					
Transfer care specialist registration and extended storage report			157,976	86,518	28,036
	Subtotal	0	157,976	86,518	28,036
Other Operating Costs:					
	Subtotal	0	0	0	0
Grants, Aids & Subsidies:					
	Subtotal	0	0	0	0
Indirect (21.7% Eligible Costs)	Subtotal	0	39,009	23,503	10,812
Expenditure	Total	0	218,776	131,812	60,639
Fiscal Tracking (Dollars in Thousands)		FY 2022	FY 2023	FY 2024	FY 2025
Health Protection BACT 03		0	219	132	61
Administration		0	219	132	61
Grants		0	0	0	0

Revenue

Revenue (Actual Dollars)		FY 2022	FY 2023	FY 2024	FY 2025
Fee Description:	Amount	Units	Units	Units	Units
Transfer Care Specialist Initial and Renewal Fee	687	0	200	200	200

	Total	0	137,400	137,400	137,400
Fiscal Tracking (Dollars in Thousands)		FY 2022	FY 2023	FY 2024	FY 2025
Impact:					
Expenditure		0	219	132	61
Revenue		0	137	137	137
Annual Cost (Savings)		0	82	(5)	(76)
Cumulative Cost (Savings)		0	82	77	1

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Brian Awsumb

Phone: 651-201-5235

Date: 4/1/2022 1:19:29 PM

Email: brian.awsumb@state.mn.us