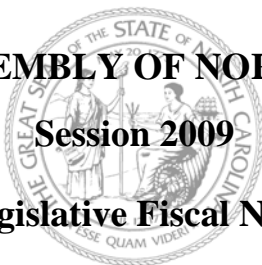


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2009

Legislative Fiscal Note

BILL NUMBER: Senate Bill 1022 (Second Edition)

SHORT TITLE: Comparative Effectiveness Task Force.

SPONSOR(S): Senator Stein

| FISCAL IMPACT | | | | | |
|---|--------------------------|--------------------------|----------------------------------|--------------------------|--------------------------|
| | Yes (X) | No () | No Estimate Available () | | |
| | <u>FY 2009-10</u> | <u>FY 2010-11</u> | <u>FY 2011-12</u> | <u>FY 2012-13</u> | <u>FY 2013-14</u> |
| REVENUES | - | - | - | - | - |
| EXPENDITURES | \$26,838.42* | \$13,419.21* | | | |
| <i>(*Note: This is the minimum cost calculated and assumes 9 meetings; see "Assumptions & Methodology")</i> | | | | | |
| POSITIONS (cumulative): N/A | | | | | |
| PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: General Assembly | | | | | |
| EFFECTIVE DATE: This act is effective when it becomes law. | | | | | |

BILL SUMMARY:

The proposed legislation establishes the Joint Legislative Comparative Effectiveness Task Force (Task Force). The proposed legislation directs the Task Force to study how the state can (1) develop more robust research efforts; (2) organize state level efforts to maximize collaborative efforts with the federal Agency for Health Care Research and Quality; (3) develop a system for disseminating comparative effectiveness research findings broadly; and (4) monitor these efforts.

The proposed legislation indicates that the Task Force must be comprised of 15 members, with seven members appointed by the Speaker of the House of Representatives, and seven members appointed by the President Pro Tempore of the Senate. The members appointed by the President Pro Tempore of the Senate must include, one member of the Senate to serve as co-chair of the Task Force, one member representing and recommended by the NC Institute of Medicine, one member represented and recommended by the NC Hospital Association, one representative of Area Health Education Centers, one member representing and recommended by Duke University, one member representing and recommended by East Carolina University Medical Center, and one member who is a researcher representing the pharmaceutical industry. The members appointed by

the Speaker of the House of Representative must include, one member of the House of Representatives to serve as co-chair of the Task Force, one member representing and recommended by the North Carolina Medical Society, one member representing and recommended by the University of North Carolina at Chapel Hill, one member representing and recommended by the North Carolina Association of Health Plans, one member representing and recommended by the Wake Forest University Medical Center, one member who is a researcher representing a school of pharmacy of a North Carolina university, and one member representing and recommended by the Research Triangle Institute. The Director of the Division of Medical Assistance of the Department of Health and Human Services, or Director's designee, will serve as the ex officio.

The proposed legislation authorizes payment of per diems and travel costs to the Task Force members. The proposed legislation also directs the Task Force to report its findings and recommendations to the Governor and the 2011 General Assembly by February 1, 2011. Finally, the proposed legislation directs the Legislative Services Office to allocate funds appropriated to the General Assembly to support Task Force activities.

Source: Bill Digest S.B. 1022 (03/26/2000).

ASSUMPTIONS AND METHODOLOGY:

The legislation is not specific in regard to the number of meetings the Committee may convene. Additionally, it is not possible to determine the schedule this Committee will adopt. There is the potential to convene 18 monthly meetings between July 2009 and January 2011, *if* the 2009 Session adjourns mid to late July. However, this time span allows for considerable flexibility in scheduling. The Committee could elect to meet monthly during the 18-month period if the volume of work warrants that frequency, or alternatively could choose to meet every other month for a total of 9 meetings. Additionally, the schedule could suggest a combination of one-day and two-day meetings with meetings occurring as few as 9 or as many as 18 times during the interim. These meetings would be spread over the next two fiscal years.

If the Committee meets 9 times, there would be 6 meetings in FY 2009-10 and 3 in FY 2010-11. If the Committee chooses to meet the maximum of 18 times, 12 meetings would occur in FY 2009-10 and 6 in FY 2010-11.

Therefore, in the absence of expressed direction, this estimate assumes:

- 1) The 2009 Session will adjourn mid to late July;
- 2) the Committee will adopt a one-day meeting schedule with a minimum of 9 meetings (every other month), but not more than 18 meetings during the interims; and
- 3) the Committee's meetings will be spread between FY 2009-10 and FY 2010-11.

On this basis, the estimated minimum cost of one-day meetings scheduled 9 times during the interim is \$40,257.63 and the maximum cost of 18 meetings is \$78,765.25 (see chart below). The minimum (6 meetings) and maximum (12 meetings) costs for FY 2009-10 would be \$26,838.42 and \$52,510.17, while the minimum (3 meetings) and maximum (6 meetings) costs for FY 2010-11 would be \$13,419.21 and \$26,255.10.

| Study Commission Budget Estimate | Minimum Cost of 9 MEETINGS | Maximum Cost of 18 MEETINGS |
|--|----------------------------------|-----------------------------------|
| Legislative Members Subsistence \$104.00 Legislative Subsistence X 2 Number of Legislative members X 1.5 Half of Members using Two Days of Subsistence | \$2,808.00 | \$5,616.00 |
| Legislative Members Travel Expenses \$58.00 Round Trip Reimbursement <i>230 miles is an Average per Member based on the Total Certified Round Trip Mileage</i> X 2 Number of Legislative Members | \$1,044.00 | \$2,088.00 |
| Non-Legislative Members Subsistence \$112.75 Non-Legislative Members Subsistence <i>\$97.75 Daily Per Diem Rate Plus \$15 Committee Per Diem Rate (GS138-5)</i> X 13 Number of Non-Legislative Members X 1.5 Half of Non-Legislative Members using Two Day Subsistence | \$19,787.63 | \$39,575.25 |
| Non-Legislative Member Travel Expenses \$66.00 Round Trip Reimbursement <i>230 miles is an Average per Member based on the Total Certified Round Trip Mileage</i> X 13 Number of Non-Legislative Members | \$7,722.00 | \$15,444.00 |
| Clerical Staff \$794.00 Average Salary with Benefits for 5 day work week Average Weekly Wages for LA, CAI, CAII & CAIII with Fringes Added. | \$7,146.00 | \$14,292.00 |
| Professional Staff | \$0.00 | \$0.00 |
| Special Travel and Expenses | \$0.00 | \$0.00 |
| Postage and Telephone Expenses | \$500.00 | \$500.00 |
| Supplies | \$250.00 | \$250.00 |
| Coping and Printing | \$1,000.00 | \$1,000.00 |
| Total | \$40,257.63 | \$78,765.25 |

Budget Estimate Template source: General Assembly's Controller Office

SOURCES OF DATA: General Assembly

TECHNICAL CONSIDERATIONS: None

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