

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill requires all individuals licensed or credentialed under the Uniform Credentialing Act to annually complete implicit bias training approved by the Department of Health and Human Services. The Department would be required to develop and provide instruction to appropriate health care professionals regarding health screenings for maternal hypertension, gestational diabetes and obesity. Such information shall include information specific to black women. The bill would expand Medicaid coverage for postpartum women to twelve months. The bill also provides for coverage of services of a doula to Medicaid recipients. The doula services would be paid for from State funds. A pilot program would be developed and implemented by the Department of Health and Human Services regarding racial disparity across socioeconomic groups and social determinants of health for pregnant women and mothers. The program will include housing assistance and home visitation.

The implicit bias training will increase the workload for the licensing division. The estimated costs for four licensing specialists and a coordinator is \$272,934 in FY 2021 and FY 2022. The costs would be paid from fees.

The development and provision of instruction regarding health screenings required in Section 4 would be handled with existing resources. The department would have costs for a mailing to notify health professionals of the available instruction. The estimated cost is \$22,790 in FY 2021. The costs would be paid from licensing fees.

Extending Medicaid coverage to postpartum women from 60 days to twelve months would require an 1115 waiver. It is unclear if the waiver would be approved. The estimated total cost of the coverage is \$23,264,640. Assuming federal approval, the General Fund share would be \$10,236,442 and the federal share would be \$13,028,198 annually.

The requirement to reimburse services of a doula are difficult to estimate as they are not licensed. The projection provided by the department is a range of \$125,000 up to \$625,000 from General Funds. Because of the difficulty in projecting the costs, the department's estimates appear reasonable.

The pilot program addressing racial disparity in Section 8 of the bill would require the addition of program manager and a program analyst. The cost would be \$145,229 General Funds in FY 2021 and FY 2022. The expansion of the home visitation program is estimated to be \$405,000 to serve an additional 60 families in the pilot program in FY 2021 and FY 2022. The Department's fiscal note assumes referrals for housing assistant would be made to other public and private agencies. If the intent is for the department to provide additional housing assistance, the cost would be more. The cost is unknown.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	1170	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services	
REVIEWED BY:	Ann Linneman	DATE:	2-24-20	PHONE: (402) 471-4180
COMMENTS: No basis to disagree with the Nebraska Department of Health and Human Services' estimate of fiscal impact.				

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE					
LB:	1170	AM:	AGENCY/POLT. SUB: University of Nebraska		
REVIEWED BY:	Ann Linneman	DATE:	1-29-20	PHONE:	(402) 471-4180
COMMENTS: No basis to disagree with the University of Nebraska's estimate of \$120,000 general fund impact. Technical note: addition errors in fiscal note.					

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Mike Michalski

Date Prepared 1-27-2020

Phone: (5) 471-6719

	<u>FY 2020-2021</u>		<u>FY 2021-2022</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$24,481,270		\$24,480,470	
CASH FUNDS	\$382,840		\$348,870	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$24,864,110		\$24,829,340	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 1170 – Sections 2 and 3 of 38-129:

LB 1170 requires the Department of Health and Human Services (DHHS) to approve implicit bias training programs with components as specified in the bill; require all credential holders under the Uniform Credentialing Act (UCA) to complete a DHHS approved implicit bias training program prior to the issuance of a credential and require certain credential holders to complete a DHHS approved implicit bias training program annually.

The estimate is based on each training program requiring eight (8) hours of staff time to review and make response to training program submission for approval. This estimate is based on at least ten (10) training programs that would seek approval from DHHS. This estimate is based on a one-time requirement for implicit bias training for all UCA credential holders. The current number of credential holders per Section 2, Section 38-129 of LB 1170 under the UCA is over 131,000. This estimate is also based on the group of certain credentialed professions specified in Section 3, Section 38-129 to receive training annually. The current number of credential holders in this group is 105,000. Most of these UCA professions renew credentials biennially and could be notified along with renewal notifications on a biennial basis. Requiring training *annually* will create additional work and expense for contacting all impacted credential holders and tracking their completion of training during their non-renewal year. These renewals are scheduled during different times of the year and in alternating years depending upon the profession. Because of these variables, this estimate assumes initial trainings to occur in FY2020-2021 and all annual trainings to occur in FY2021-2022, regardless of renewal year. DHHS would require four (4.0) FTEs Health Licensing Specialists and one (1.0) Health Licensing Coordinator in order to review and approve programs, and to notify, verify and track training of credential holders. Costs related to credential-holders would be financed through the Professional and Occupational Licensing fund (Program 178).

	<u>Estimated Manhours</u>
Training programs review and response 10 each x 8 hours =	80
Receive, verify, and enter training completions in credentialing system	
131,000 first year x 5 minutes each =655,000 min / 60 min =	<u>10,917</u>
(Includes first year of annual for group below)	
Total Hours	10,997 / 2,080 = 5.3 FTEs
Receive, verify, and enter training completions in credential system	
105,000 annually x 5 minutes each = 525,000 min / 60 min =	8,750
The remaining .8 FTE would assist with annual notifications to credential holders; annual review of approved training programs and new submissions; and with verification of training completions.	<u>1,650</u>
Total Hours	10,400 / 2,080 = 5.0 FTEs

The Office of Health Disparities and Health Equity would assist with identifying appropriate implicit bias training offerings to credential holders.

DHHS would need to modify the credentialing system to add the implicit bias training requirement to the applicable credential holders modules. The resources needed to make these changes are

One (1) IT Business Systems Analyst to add the implicit bias training requirement to the electronic credentialing system for eighty (80) hours.

One (1) Health Licensing Specialist to create and distribute notification regarding the new credentialing requirements to the applicable credential holders for eighty (80) hours.

The current credentialing system does not provide an efficient way to notify credential holders by email or the ability for credential holders to update their email addresses online. Credential holders are currently notified by postcard mailing. The costs to provide the initial postcard mailing to 131,000 credential holders at \$0.35 for postage and \$.08 for postcard material is \$56,330. The cost to subsequently notify 105,000 credential holders annually at \$0.35 for postage and \$.08 for postcard material is \$45,150. DHHS is in the process of procuring a replacement licensure information system (LIS). It is expected that in years beyond the scope of this fiscal note, the new LIS would allow for electronic notifications and online renewals. Costs related to credential-holders would be financed through the Professional and Occupational Licensing fund (Program 178).

LB1170 – Section 4 of 38-129:

LB 1170 also requires DHHS to develop and provide instruction to health professionals regarding health screenings for maternal hypertension, gestational diabetes, and obesity including information specific to the health of black women. The estimated number of health professionals that would receive this instruction is approximately 53,000 health professionals. This estimate is based on DHHS developing and providing the specified instruction in an electronic format. DHHS would use existing staff from the Office of Health Disparities and Health Equity in collaboration with the Lifespan Services Unit and Health Promotion Unit to develop the instructional materials. LB 1170 does not specify the frequency of instruction or if instruction is a requirement in order to obtain or maintain a credential under the UCA. This estimate is based on notification to health professionals in a one (1) time only postcard mailing. The estimate is based on media production costs for this instruction to be completed by existing DHHS Communications resources. The cost of providing a link on the DHHS website would be absorbed by existing staff. The cost of notifying 53,000 health professionals by postcard mailing at \$0.35 postage and \$.08 for postcard material is \$22,790. Any additional Information, such as the frequency of instruction or a change in credential requirements, would subsequently be included in the biennial renewal mailing. Costs related to credential-holders would be financed through the Professional and Occupational Licensing fund (Program 178).

LB1170 – Section 6 of 68-915

LB 1170 extends medical assistance coverage of post-partum women to twelve (12) months from the existing sixty (60) day period after birth. In State Fiscal Year 2019, medical assistance coverage for 2,370 women ended after the sixty (60) day period after birth. There were 2,284 women whose medical assistance coverage ended at some point between sixty-one (61) days and eleven (11) months. The average cost of coverage for these persons is \$600 per month. The estimated cost is based on a minimum of 2,370 women x \$600 x 10 months = \$14,220,000 and 2,284 women x \$600 x 6.6 months = \$9,044,640 for a total estimate of \$23,264,640 per year.

Continuous eligibility beyond sixty (60) days would not qualify for Federal funding. Changes in coverage and eligibility can be submitted under a request of a Section 1115(a) waiver of the Social Security Act; but must be budget neutral to the Federal government, if such coverage and eligibility is not allowable under current Medicaid programs. The costs of the additional months would require 100 percent State funds managed under either Program 348 Medical Assistance, depending upon waiver filing and subsequent approval.

LB1170 – Section 7 of 68-915

LB 1170 adds state funded reimbursement for the cost of doula services to be paid directly to Medicaid beneficiaries. Currently, DHHS has no system to make payments directly to medical assistance recipients. The estimated number of doulas and number of doula assisted births in Nebraska are difficult to obtain. Doulas are not required to be licensed, certified, or registered and most doulas use word of mouth advertising. The use of doulas by medical assistance recipients would have been paid privately. Hospitals and birthing centers typically allow pregnant women to use privately hired doula services within their facilities. There are several online estimates of doula-assisted births that do not reference a specific study, but state the national average use of doulas is up to 6.0%. The Centers for Disease Control and Prevention/National Center for Health Statistics Data Brief No. 144 published in March, 2014 indicates 0.75% of births in Nebraska occurred out-of-hospital in 2012. This data brief includes birthing centers in the out-of-hospital number. The DHHS Office of Vital Statistics reports an average of 0.38% of Nebraska births are outside of a facility based on actual birth certificates issued. This percentage does not include birthing centers. LB 1170 would most likely increase the usage of doulas by medical assistance recipients. An average of 8,200 Nebraska births are covered by public medical assistance each year. Using .38% of all Nebraska births results in an estimated 100 births per year. Using 6.0% of medical assistance recipients births results in an estimated 500 births per year.

According to the What To Expect Foundation's website by Everyday Health Group, the cost of labor and delivery services from doulas vary by region up to \$2,500. Doulamatch.net lists 48 birth doulas in Nebraska with only 3 of these using some type of credential title. The average cost for birth and short term post-partum services is \$1,250. Based on the estimated numbers above, the range of costs would be between \$125,000 and \$625,000. This higher estimate is included as General Funds and would be managed under Program 348 Medical Assistance.

LB 1170 changes to Sections 6 of 68-915 would require software changes to the medical assistance eligibility system. The cost to make these changes would use existing DHHS resources, except for technical assistance provided by the Office of CIO for approximately \$800 that would be charged to DHHS under Program 033 – Administration.

LB 1170 – Section 8 of 68-915

LB 1170 requires DHHS to develop and implement a pilot program regarding racial disparity across socioeconomic groups and the social determinants of health for pregnant women and mothers. DHHS is to include housing assistance and home visitation for expecting or new mothers. Several assumptions will need to be made in order to determine the fiscal impact to DHHS:

1. Pilot program length to be at least two (2) fiscal years.
2. Pilot program would be conducted by the Division of Public Health instead of the Division of Medicaid and Long Term Care. All participants would not be medical assistance recipients, due to the inclusion of all socioeconomic groups.
3. This estimate is based on all pregnant women and mothers with children under two (2) years old; regardless of race, marital/partner status, living arrangements, or type of medical insurance coverage as being eligible to participate in the program.
4. Pilot program sample size is estimated at 60 participants representing three (3) socioeconomic groups. An appropriate sample size for measurements of outcomes would be determined during development of the program and this may affect total pilot program costs.
5. The provision of monetary housing assistance to participants is not included. Housing assistance to be in the form of referrals and help making application to other government or privately sponsored programs for eligible participants.
6. The home visitation requirement would be performed by contract. Home visitors are employed from across the state to provide services for DHHS's evidence-based home visiting program; Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program. MIECHV is a federal program that funds prenatal, post-partum and early childhood home visits to at-risk mothers in collaboration with states and communities. Visits are conducted weekly during the prenatal and immediate post-partum stages and then tapers off until the child is five (5) years old. Each visit includes health assessments as required by the program. Each visit takes about one hour and each home visitor has a maximum capacity of fifteen (15) participants. Based on the number of home visitors used for MIECHV, at least four (4) home visitors would be needed to conduct home visits each year for the pilot program, not including travel time.

7. Pilot program would contract out professional services as needed to provide support to the program, such as follow up on medical appointments, health screenings, referrals, home visiting and housing assistance in conjunction with the home visitation contract.
8. Pilot program is based on the Healthy Families America model of evidence-based home visiting. Numerous federally funded and privately funded pilot studies have been conducted in past years using this program model. Reports for these studies are available from the CDC/National Institutes of Health, Health & Human Services (HHS)/HRSA, US Department of Education, among others. Nebraska's MIECHV program is also required to submit statistical outcomes of participants to HHS as part of grant requirements.
9. Pilot program administration would require one (1.0) FTE DHHS Program Manager I to lead and oversee the pilot program and one (1.0) FTE Program Analyst to create and provide appropriate reports on health data combined with socioeconomic data and other factors. Existing staff would also support the pilot program including, but not limited to clerical work, follow up on medical appointments, referrals, home visiting and housing assistance.

Costs for home visitation services can vary widely depending upon the amount of travel, an area's cost of living, attrition rate, etc. Current home visitation contracts for MIECHV range from \$5,833 to \$12,000 per family, with the average being \$6,750 per family. Based upon this average, the estimated cost to issue contracts for the pilot program for Items 6 and 7 above is \$6,750 x 60 families = \$405,000. This estimate assumes the cost for the program will be funded by the General Fund. Administrative costs would be funded under Program 033 - Administration and Program Service costs would be funded under Program 514 – Health Aid.

DHHS would be required to complete a minor rules and regulation change regarding licensing requirements as a result of LB 1170. DHHS will absorb the estimated costs listed below to complete this regulation change.

Title	Hour(s)	Hourly Cost	Absorbed Cost
Director	1	74.28	\$ 74
Deputy Director	1	53.48	\$ 53
Administrator I	1	30.82	\$ 31
Program Specialist	2	22.52	\$ 45
Program Analyst	4	21.91	\$ 88
Attorney 3	10	33.82	\$ 338
Subtotal Staff Costs			
	19		\$ 629
Additional Board Meeting Cost			\$1,500
Total Cost with meeting			\$ 2,129

DHHS would be required to complete a major rule and regulation change regarding the medical assistance act to NAC 477 as a result of LB1170. DHHS will absorb the estimated costs listed below to complete this regulation change.

Title	Hours	Hourly Cost	Absorbed Cost
Director	4	74.28	\$ 297
Deputy Director	4	53.48	\$ 214
Administrator I	4	30.82	\$ 123
Program Specialist	8	22.52	\$ 180
Program Analyst	16	21.91	\$ 351

Attorney III	30	33.82	\$ 1,015
Subtotal Staff Cost	66		\$ 2,180
Board Meeting			\$ 1,500
Total Absorbed Costs			\$ 3,680

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2020-2021	2021-2022
	20-21	21-22	EXPENDITURES	EXPENDITURES
X01750 Health Licensing Specialist	4.0	4.0	\$133,960	\$133,960
X01740 Health Licensing Coordinator	1.0	1.0	\$41,194	\$41,194
V78791 DHHS Program Manager I	1.0	1.0	\$58,248	\$58,248
K13120 Program Analyst	1.0	1.0	\$47,857	\$47,857
Benefits.....			\$87,934	\$87,934
Operating.....			\$200,277	\$165,507
Travel.....				
Capital Outlay.....				
Aid.....			\$24,294,640	\$24,294,640
Capital Improvements.....				
TOTAL.....			\$24,864,110	\$24,829,340

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2020

LB⁽¹⁾ 1170

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ University of Nebraska

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ _____ Phone: ⁽⁵⁾ 402-472-7109

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>120,000</u>	_____	<u>120,000</u>	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>145,000</u>	_____	<u>145,000</u>	_____

Explanation of Estimate:

The bill would require implicit bias training for University credentialed faculty and staff, as well as students before they could be initially credentialed.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21</u>	<u>2021-22</u>
	<u>20-21</u>	<u>21-22</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Training Coordinator/Faculty	<u>1.0</u>	<u>1.0</u>	<u>60,000</u>	<u>60,000</u>
Graduate Assistant/Clerical	<u>1.0</u>	<u>1.0</u>	<u>22,500</u>	<u>22,500</u>
Benefits.....			<u>22,275</u>	<u>22,275</u>
Operating.....			<u>40,225</u>	<u>40,225</u>
Travel.....			_____	_____
Capital outlay.....			_____	_____
Aid.....			_____	_____
Capital improvements.....			_____	_____
TOTAL.....			<u>145,000</u>	<u>145,000</u>