

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2013-14</b>		<b>FY 2014-15</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(630,783)		(865,517)	
CASH FUNDS				
FEDERAL FUNDS	(1,465,238)		(1,929,177)	
OTHER FUNDS				
TOTAL FUNDS	(2,096,021)		(2,794,694)	

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

This bill repeals coverage of prenatal services for the unborn regardless of the status of the mother in the Children’s Health Insurance Program.

This bill would result in staff savings of \$271,710 (\$84,149 GF and \$187,561 FF) annually. Annual state aid savings would be \$2,522,984 (\$781,368 GF and \$1,741,616 FF). Savings in FY 14 would be for three-quarters of the year. Staff savings would be \$203,783 (\$63,112 GF and \$140,671 FF) and aid savings would be \$1,892,238 (\$567,671 GF and \$1,324,567 FF).

The problems that result from lack of prenatal care and the cost to benefit ratio of providing prenatal care is discussed In the National Conference of State Legislatures issue brief “Funding Prenatal Care for Unauthorized Immigrants: Challenges Lie Ahead for States.” According to the report:

Early and continuous prenatal care provides women with opportunities for ongoing assessment for one of the most significant complications of pregnancy -- low birth weight. Low birth weight and very low birth weight which result from a failure of the fetus to fully develop (intrauterine growth retardation), the infant being born too soon (pre-term) or a combination of both, contribute substantially to infant mortality and childhood disabilities. Studies estimate that every dollar spent on prenatal care yields between \$1.70 and \$3.38 in savings by reducing neonatal complications. The savings increase dramatically when the long-term costs of caring for newborns with physical and developmental disabilities are considered, and are even greater when unforeseen maternal complications are avoided.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 518	AM:	AGENCY/POLT. SUB: HHS	
REVIEWED BY: Elton Larson		DATE: 3/12/2013	PHONE: 471-4173
COMMENTS: HHS analysis and estimate of fiscal impact to the agency appear reasonable.			

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

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

Prepared by: (3) Willard Bouwens

Date Prepared:(4) 3-11-13

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	<b>FY 2013-2014</b>		<b>FY 2014-2015</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>	-\$865,517		-\$865,517	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>	-\$1,929,177		-\$1,929,177	
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	-\$2,794,694		-\$2,794,694	

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

**Explanation of Estimate:**

LB 518 would eliminate the 599 CHIP program implemented under LB 599 in 2012.

Under LB 599A, Administration Program 033 appropriations were \$271,710 (\$84,149 GF, \$187,561 FF) for FY14. CHIP Program 344 appropriations were \$2,522,984 (\$781,368 GF, \$1,741,616 FF) in FY14. Total savings from eliminating the 599 CHIP program would be -\$2,794,694 (-\$865,517 GF, -\$1,929,177 FF) for FY14 and FY 15.

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2013-2014	2014-2015
		13-14	14-15	EXPENDITURES	EXPENDITURES
Staff Appropriation				-\$271,710	-\$271,710
Benefits.....					
Operating.....					
Travel.....					
Capital Outlay.....					
Aid.....				-\$2,522,984	-\$2,522,984
Capital Improvements.....					
<b>TOTAL.....</b>				-\$2,794,694	-\$2,794,694