

**UNSOLICITED
EXECUTIVE AGENCY
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: May 15, 2023

Agency Submitting: Department of Health and Human Services, Health Care Financing and Policy

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

The Division has reviewed Assembly Bill 386 and determined that savings on medical services will offset the state share of costs for system changes needed to create a new provider type. If signed into law, the bill notes that Certified Professional Midwives (CPM) would be reimbursed at the same rates as other providers (physicians, advanced practice registered nurses, and physician's assistants). As such, there is no expected savings in those areas as the costs would shift from one provider type to another. However, if some patients choose to deliver under the care of a CPM in a birthing center instead of a hospital, there are expected savings. The Division projected that 4% of all births would be attended by a CPM; of those 4% of births, 50% are anticipated to be in a birthing center, resulting in savings of \$79,765 over the biennium (\$27,648 in savings to state general funds).

System costs are projected at \$99,640. Changes to MMIS are eligible for a federal match rate of 75%; this would result in costs of \$24,910 to the state general funds. As indicated above, the state share of savings for medical services exceeds the state share of costs for system enhancements. The Division anticipates no costs to the state general fund as a result of this bill.

Name Stacie Weeks
Title Administrator