

## Department of Planning and Budget 2012 Fiscal Impact Statement

**1. Bill Number:** SB 568

House of Origin    ☐ Introduced        ☐ Substitute        ☐ Engrossed  
 Second House       ☐ In Committee    ☐ Substitute        ☒ Enrolled

**2. Patron:** Ebbin

**3. Committee:** Passed Both Houses

**4. Title:** Medical assistance; coverage for certain children and pregnant women

**5. Summary:** The bill provides Medicaid coverage for legal immigrant pregnant women during the first five years of lawful residence in the United States. The bill also provides coverage under the Family Access to Medical Insurance Security (FAMIS) program for legal immigrant children and pregnant women during their first five years of lawful residence in the United States. Prior to the federal Children's Health Insurance Program Reauthorization Act of 2009 (P.L. 111-3), federal reimbursement for Medicaid and FAMIS coverage of these legal immigrants was not allowed under federal law during their first five years of legal residence.

**6. Budget Amendment Necessary:** Yes, Item 306, Service Area 44602 and Item 307, Service Area 45609. The Senate included in its budget (SB 30), \$941,693 GF in FY 2013 and \$1,263,649 GF in FY 2014 to fund this bill.

**7. Fiscal Impact Estimates:** Final.

**Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2012	-	-	-
2013	\$1,141,694	-	GF
2013	\$1,393,417	-	Federal
2014	\$1,563,649	-	GF
2014	\$1,995,330	-	Federal
2015	\$1,635,340	-	GF
2015	\$2,128,470	-	Federal
2016	\$1,691,433	-	GF
2016	\$2,232,644	-	Federal
2017	\$1,411,816	-	GF
2017	\$2,690,171	-	Federal
2018	\$1,321,568	-	GF
2018	\$2,978,035	-	Federal

- 8. Fiscal Implications:** The bill would expand health care coverage for pregnant women in Medicaid and FAMIS. In addition, the bill increases the number of children covered under FAMIS.

Pregnant Women

Currently, the state's Medicaid program only pays for the labor and delivery costs for resident immigrant women who are within their first five years of lawful residence. The Department of Medical Assistance Services (DMAS) estimates approximately 905 deliveries are paid for each year for this group. In addition, 90 pregnant women would be eligible for coverage in the FAMIS MOMS program, which covers pregnant women under FAMIS. The bill expands coverage to include prenatal and 60 day post-partum time periods for these women. In addition, for the women in FAMIS MOMS it also includes labor and delivery costs, which is not currently covered for this population like it is in Medicaid. The general fund cost to provide Medicaid coverage to this population is estimated to be \$0.8 million in FY 2013 and \$1.1 million in FY 2014. The cost for coverage within the FAMIS MOMS program is estimated to be \$0.2 million in FY 2013 and \$0.2 million in FY 2014.

This fiscal impact does not assume any savings from improved birth outcomes that may result from the prenatal services for pregnant women covered by this bill. There is no information available to indicate that this population has a higher degree of adverse birth outcomes compared to the general population or even the Medicaid/FAMIS population currently served. In addition, it is unknown to what degree these pregnant women are receiving prenatal care from other sources, such as safety net providers. While there is the potential for cost avoidance from improved birth outcomes, no reasonable estimate of such savings can be determined based on the information available.

In addition, there may be other savings to safety net programs that currently provide prenatal care to the population impacted by the bill; however it is not known how many people in this population access such services. This fiscal impact assumes that any such cost savings would be redirected to other clients in need of similar services.

FAMIS Children

The bill also would expand coverage for children in the FAMIS program. DMAS estimates approximately 288 additional children will be enrolled with a general fund cost of \$0.1 million in FY 2013 and \$0.3 million in FY 2014.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Medical Assistance Services.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** HB 183, introduced by Delegate O'Bannon, and HB 782, introduced by Delegate Lopez, are companion bills.

**Date:** 3/15/12

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