

Department of Planning and Budget 2016 Fiscal Impact Statement

1. **Bill Number:** HB1090ER

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. **Patron:** Cline

3. **Committee:** Health, Welfare and Institutions

4. **Title:** Restrictions on expenditure of funds related to abortions and family planning.

5. **Summary:** Prohibits the Department of Health from spending any funds on an abortion that is not qualified for matching funds under the Medicaid program or providing any grants or other funds to any entity other than a licensed hospital that performs such abortions. The bill also prioritizes the types of entities that the Department of Health contract with or provide grants to for family planning services.

6. **Budget Amendment Necessary:** No.

7. **Fiscal Impact Estimates:** Indeterminate, see item #8.

8. **Fiscal Implications:** This bill would have a fiscal impact on the Commonwealth; however any fiscal implications cannot be determined at this time. The proposed bill states that “*The Department shall not enter into a contract with, or make a grant to, any entity that performs abortions that are not federally qualified abortions or maintains or operates a facility where non-federally qualified abortions are performed.*”

The agency contracts with private entities, which would be impacted by this bill, to provide testing for sexually transmitted diseases, such as chlamydia and gonorrhea. If these sites were unable to provide testing, approximately 47 cases of chlamydia and 12 cases of gonorrhea would be undiagnosed annually. This could potentially increase the rates of sexually transmitted disease, increase health care costs resulting from undiagnosed disease, and lead to increased cases of ophthalmic gonorrhea/chlamydia in the newborns of infected women. VDH also has contracts with private entities in Blacksburg, Charlottesville, Roanoke, and Falls Church to support STD prevention and education; testing does not occur at these sites.

The agency would be prohibited from contracting with or paying non-hospital providers to conduct state-funded abortions for rape or incest, or gross fetal anomalies; neither of which are allowed under Medicaid. In practice, all payments for state-funded abortions over the past several years have been to hospital-based providers. VDH has received and approved

applications for state-funded abortions from non-hospital based providers; however, they have not submitted invoices for payment.

The bill goes on to require that any family planning services paid for by VDH must be made to public entities first, followed by nonpublic hospitals and federally qualified health centers, rural health clinics, and finally by nonpublic health providers. This will have minimal impact on the agency as only 0.3 percent of funding goes to entities that are not VDH local health departments, as they are lower on the list of priority entities eligible to receive funding and higher priority entities have the right of injunctive relief.

9. Specific Agency or Political Subdivisions Affected: Department of Health.

10. Technical Amendment Necessary: No.

11. Other Comments: None.