

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. Bill Number: HB537-H1

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

2. Patron: Cole

3. Committee: Appropriations

4. Title: Home Visiting Program established; report.

5. Summary: Establishes the Home Visiting Program within the Department of Social Services to support pregnant people and parents with young children that face greater risks and barriers to achieving positive maternal and child health outcomes. The bill directs the Department to operate in accordance with the Virginia Plan for Home Visiting established by Early Impact Virginia, a consortium of government and private entities. The purpose of the Program is to (i) develop a plan for the provision of home visiting services to pregnant people and parents; (ii) administer home visiting services provided by family support professionals; and (iii) coordinate approval of funding, allocation of funds, and data reporting on funding.

An enactment clause requires the agency to promulgate regulations to implement the provisions of this act and requires those regulations to be effective no later than November 1, 2024.

6. Budget Amendment Necessary: Yes. Item 324.

7. Fiscal Impact Estimates: Preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2025	\$261,585	2	General fund
2026	\$251,259	2	General fund
2027	\$251,259	2	General fund
2028	\$251,259	2	General fund
2029	\$251,259	2	General fund
2030	\$251,259	2	General fund

8. Fiscal Implications: This legislation establishes the Home Visiting Program (the Program), which shall be administered by the Department of Social Services (DSS). The Program is responsible for developing a plan for the provision of home visiting services to pregnant people and parents, administer home visiting services provided by family support professionals, and coordinate approval of funding, allocation of funds, and date reporting on funding. The legislation calls for services to be provided to participants by family support

professionals trained to implement evidence-based criteria program models and who demonstrate proficiency in standardized competency-based criteria. According to the Early Impact Virginia 2023 Annual Report, 572 home visitors (including Director and Supervisory staff) were identified as having served children and pregnant women through home visiting programs in Virginia.

Funding Awards to Nonprofits and Other Governmental Organizations:

According to the Early Impact Virginia website, there is at least one home visiting program operating in all but approximately 12 localities in the Commonwealth. These services are currently provided by nonprofit and other governmental organizations and are funded through a combination of sources, including federal and state funds. According to DSS, the current home visiting program model meets the evidence-based and standardized competency requirements of the legislation.

The legislation requires that the Home Visiting Program coordinate with the Department of Social Services (which administers the Program), Department of Health, Department of Medical Assistance Services, Department of Behavioral Health and Developmental Services, and Department of Education on funding and balance the need for statewide funding with the need to ensure sufficient funding for meaningful services. Additionally, the Program shall coordinate its funding with the Maternal, Infant, and Early Childhood Home Visiting Program with the goal of minimizing administrative burdens and maximize service delivery.

DSS Staff:

Facilitating effective funding and service delivery, as mentioned above, along with ensuring that Program services are provided by family support professional trained to implement evidence-based program models and who demonstrative proficiency in standardized, competency-based criteria will increase the workload at the agency. Based on the efforts described in the bill, it is estimated that two new classified employees are needed to operationalize the program and coordinate efforts across impacted state agencies. These positions will be responsible for strategic planning, funding administration and procurement processes, and data collection and reporting to sustain home visiting investments and coordination.

DSS estimates the cost for one State Office Contract Administrator to be \$130,479 general fund in fiscal year (FY) 2025 and \$125,316 general fund in FY 2026 and thereafter and one Project Coordinator to be \$131,106 general fund in FY 2025 and \$125,943 general fund in FY 2026 and thereafter. These costs include salary, benefits, and operating expenses. A one-time onboarding cost is included in the first-year costs for both positions.

Other Agencies:

The Departments of Health indicates that this bill, as substituted, will not have a fiscal impact on its agency. The Departments of Medical Assistance Services and Behavioral Health and Developmental Services have not yet provided input on the potential impacts of the substitute on their agencies; however, they did indicate that this bill in its introduced form did not have

a fiscal impact on their agencies. This fiscal impact will be updated should these agencies provide updated information.

Input from the Department of Education is not available. This fiscal impact will be updated should that change.

9. Specific Agency or Political Subdivisions Affected: Department of Social Services, Department of Health, Department of Behavioral Health and Developmental Services, Department of Medical Assistance Services, Department of Education.

10. Technical Amendment Necessary: No.

11. Other Comments: REVISED: According to the regulatory section at the Department of Planning and Budget, it is unlikely that a regulation for this bill can be in effect by November 1, 2024. The bill does not explicitly call this regulation an “emergency regulation,” as there is no emergency clause in the bill. For reference, most emergency regulations have a 280-day clock, from the day the bill is enacted. Assuming a July 1, 2024 enactment, a 280-day emergency regulation would be due around May 1, 2025. Regulations at DSS need to be approved by the Board of Social Services, which meets monthly and the bill requires a public comment before the effective date. Additionally, regulations are required to be reviewed by the Office of the Attorney General. Given all of these requirements, a regulation would need to go in front of the Board of Social Services at its August meeting. Even if DSS knows exactly what they will put into the drafted regulation, it is highly unlikely that a regulation will be able to make it through all the required steps before the bill’s effective date for the final regulation.