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 DATE PREPARED: January 08, 2024
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LB 1060

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

This bill would permit exception to newborn screenings for inherited or congenital infant or childhood-onset diseases. The Department of Health and Human Services would need to update various materials and create processes for administrative tracking of refusals. These increased expenses can be absorbed within the agency’s existing appropriation.

DHHS also recognizes that unscreened newborns may lead to increased expenditures in programs including Developmental Disabilities, Medicaid, CHIP, and Economic Assistance. Child Welfare and Behavioral Health may incur expenses as well. All of these potential increases in expenditures are indeterminable.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	1060	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services
REVIEWED BY:	Ann Linneman	DATE:	1-26-2024
		PHONE:	(402) 471-4180
COMMENTS: Concur with the Nebraska Department of Health & Human Services’ assessment of fiscal impact.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

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

Prepared by: (3) John Meals

Date Prepared 1-26-2024

Phone: (5) 471-6719

	<u>FY 2024-2025</u>		<u>FY 2025-2026</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$0	\$0	\$0	\$0
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$0	\$0	\$0	\$0

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

Explanation of Estimate:

LB 1060 allows a parent or guardian of a newborn infant to take exception to the newborn screening requirement per Nebraska §71-519.

LB 1060 would require the Department of Health and Human Services (DHHS) to make regulation changes to Title 181 NAC – Special Health Programs. The cost impact of this work is being deferred from a formal request at this time and is estimated as follows:

Title	Hour(s)	Hourly Cost	Absorbed Cost
<i>Director</i>	1	\$ 77	\$ 77
<i>Deputy Director</i>	1	\$ 56	\$ 56
<i>Administrator I</i>	1	\$ 31	\$ 31
<i>Program Specialist</i>	2	\$ 23	\$ 47
<i>Program Analyst</i>	4	\$ 23	\$ 91
<i>Attorney III</i>	10	\$ 35	\$ 345
<i>Total Costs</i>			\$ 647

It is anticipated that DHHS would be responsible for notifying healthcare facilities and medical providers of the change in legislation. Publications produced and distributed by DHHS, and the Public Health website would be updated to reflect LB 1060. As of July 1, 2023, there are approximately 100 healthcare facilities and 10,000 physicians.

DHHS estimates a 1.0 FTE Community Health Educator would be needed for approximately 80 hours to develop all materials for distribution at \$38.80 per hour, including benefits and overhead, resulting in a cost of \$3,104.

Also, DHHS currently maintains a central data registry per Nebraska § 71-522 to ensure that all newborn screenings are performed, and outcomes recorded. Without some process to track legal refusals, DHHS would be unable to enforce violations of the law as specified in Nebraska § 71-524. It is expected that LB 1060 would require DHHS to create procedures, develop and distribute refusal forms so that newborns exempted by a parent or guardian can be accounted for in the central data registry. The number of exemptions is anticipated to be at 1% or less. Based on Nebraska’s average birth count of 24,000 per year, DHHS would incur additional costs to collect the forms and perform a three-way match between birth certificates, the screening registry and refusal forms. Presently, the matches are performed electronically between the vital statistics system and the newborn screening registry. The ability to modify the registry system to incorporate the screening exceptions is currently unknown. The system produces a report of non-matching records. Normally, there are a low number of missing screening tests that must be followed up on by DHHS. LB 1060

would increase the number of non-matching records per year, thereby increasing the labor costs that would be incurred by DHHS.

Additional administrative costs associated with implementing and executing LB 1060 being requested are estimated as follows:

	<u>FY 24-25</u>	<u>FY25-26</u>
a) Community Health Educator 80 hours to develop needed materials for distribution.	\$3,104	\$0
b) 10,000 envelopes / paper with First Class Postage @ \$.75	\$ 7,500	\$0
c) .25 FTE Office Specialist 520 hours @ \$27.295 to update materials provided by the Community Health Educator, and prepare mailings including refusal forms	\$14,193	\$0
d) .25 FTE Health Surveillance Specialist 520 hours @ \$44.783 to Process refusal forms, receive and record exceptions, follow-up with birth care givers, parents, etc. on unmatched births	<u>\$23,287</u>	<u>\$24,451</u>
Total Cost Estimate	\$48,084	\$24,451

The Department will absorb these costs within current appropriations and staffing.

The Department would also acknowledge that unscreened infants that present with disease later in infancy or childhood could have a potential impact in many different areas of the department, including Developmental Disabilities, Medicaid, CHIP, and Economic Assistance. Any potential fiscal impact is currently indeterminable.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:				
POSITION TITLE	NUMBER OF POSITIONS		2024-2025	2025-2026
	24-25	25-26	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$0	\$0