

Fiscal Note 2027 Biennium

Bill#/Title:	SB0319.03 (001)	: Generally revise he	ealth care laws i	elated to doulas	
Primary Sponsor:	Cora Neumann		Status:	As Amended in Ho	use Committee
☐ Included in the Executive Budget		☑ Needs to be included	in HB 2	☐ Significant Local Go	v Impact
☐ Significant Long-Term Impacts		☑ Technical Concerns		☐ Dedicated Revenue Form Attached	
		FISCAL SU	JMMARY	ā	
		FY 2026 <u>Difference</u>	FY 2027 <u>Difference</u>	FY 2028 <u>Difference</u>	FY 2029 Difference
Expenditures					
General Fund (01)		\$0	\$117,627	\$119,020	\$119,956
State Special Revenue (02)		\$18,100	\$0	\$0	\$0
Federal Special Revenue (03)		\$0	\$338,373	\$341,780	\$345,644
Revenues	, ,		,	,	,
General Fund (01)		\$0	\$0	\$0	\$0
State Special Revenue (02)		\$0	\$0	\$0	\$0
Federal Special Revenue (03)		\$0	\$338,373	\$341,780	\$345,644
Net Impact			(\$117.627)	(\$119,020)	(\$110.056)

Description of fiscal impact

General Fund Balance

SB 319 will establish state certification for doula services, allowing rulemaking to specify requirements and regulation. The fiscal impact of this bill includes initial rulemaking and IT costs as well as Medicaid coverage and reimbursement of state-certified doula services. This amendment doesn't change from the original fiscal note (SB0319.01).

FISCAL ANALYSIS

Assumptions

Department of Labor and Industry (DLI)

- 1. The total rule making costs to the department are estimated to be \$2,500. DLI will utilize their legal services to include drafting the notice, preparing the adoption, and responding to comments.
- 2. A new license type for doulas will be added to the licensing database to include an application and renewal record. Forms for the licensing process will be created for online application and renewal, and the department website will be updated. The Technology Services Division (TSD) estimates that it will spend 130 hours to complete the implementation. This estimate includes work to complete an analysis, design, develop, script and test. DLI will be billed at a rate of \$120 per hour for a total expense of \$15,600.
- 3. DLI will utilize existing resources to administer the licensure for doulas. The work will include processing applications, issuing licenses and renewals, and managing compliance.
- 4. License fees are unknown at this time, but will be set commensurate with costs.

Department of Public Health and Human Services (DPHHS)

- 5. For the purposes of this fiscal note, DPHHS assumes the effective start date of this optional service is July 1, 2026, as stated in section 8 of the bill.
- 6. Medicaid eligible births are from the Montana Medicaid dashboard for calendar year 2023. A caseload inflationary factor of 1.0% was used to calculate births for FY 2027 FY 2029.
- 7. Visit and rate assumptions are based on a combination of the Centers for Medicare and Medicaid Services (CMS) approved state plans of various state Medicaid agencies.
- 8. DPHHS assumes 6 prenatal and 2 postpartum visits reimbursed at \$100 per visit with one labor and delivery support at \$800, equating to a maximum of \$1,600 per pregnancy.
- 9. Based on nationally available data, DPHHS assumes state-certified doulas will be involved in 6.0% of Medicaid births annually. This results in an assumption of 285 state-certified involved Medicaid births in FY 2027.
- 10. The estimated FY 2027 benefits total is \$456,000 which includes standard Medicaid benefits of \$252,800, Medicaid expansion benefits of \$193,600, Children's Health Insurance Program (CHIP) benefits of \$3,200 and \$6,400 tribal benefits.
- 11. The estimated FY 2028 benefits total is \$460,800 which includes standard Medicaid benefits of \$256,000, Medicaid expansion benefits of \$195,200, CHIP benefits of \$3,200 and \$6,400 tribal benefits.
- 12. The estimated FY 2029 benefits total is \$465,600 which includes standard Medicaid benefits of \$257,600, Medicaid expansion benefits of \$198,400, CHIP benefits of \$3,200 and \$6,400 tribal benefits.
- 13. DPHHS assumes the standard benefit costs will be eligible for standard Medicaid Federal Medical Assistance Percentage (FMAP) (38.53% general fund, 61.47% federal funds in FY 2027 FY 2029); the Medicaid expansion benefit costs will be eligible for the expansion FMAP (10% general fund, 90.00% federal funds in FY 2027 FY 2029); CHIP benefit costs will be eligible for the CHIP FMAP (26.97 general fund, 73.03% federal funds in FY 2027-FY 2029); and doula services provided through an Indian health service provider and tribal services provider are eligible for 100% federal fund reimbursement.

Fiscal Analysis Table

Department of Labor and Industr	y								
	FY 2026 Difference	FY 2027 <u>Difference</u>	FY 2028 Difference	FY 2029 <u>Difference</u>					
Fiscal Impact									
Expenditures									
Operating Expenses	\$18,100	\$0	\$0	\$0					
TOTAL Expenditures	\$18,100	\$0	\$0	\$0					
Funding of Expenditures	010.100	Φ0	0.0	0.0					
State Special Revenue (02)	\$18,100	\$0	\$0	\$0					
TOTAL Funding of	\$18,100	<u>\$0</u>	<u>\$0</u>	\$0					
Expenditures									
Revenues									
Net Impact to Fund Balance (Revenue minus Funding of Expenditures)									
State Special Revenue (02)	(\$18,100)	\$0	\$0	\$0					
Department of Public Health and Human Services									
	FY 2026 <u>Difference</u>	FY 2027 <u>Difference</u>	FY 2028 <u>Difference</u>	FY 2029 <u>Difference</u>					
Fiscal Impact									
Expenditures									
Benefits	\$0	\$456,000	\$460,800	\$465,600					

TOTAL Expenditures

Federal Special Revenue (03)

Funding of Expenditures

General Fund (01)

\$119,956

\$345,644

\$460,800

\$119,020

\$341,780

TOTAL Funding of	<u>\$0</u>	\$456,000	\$460,800	\$465,600
Expenditures		4.0.3)0.00	4 10 1,0 0	4 100,000
Revenues				
Federal Special Revenue (03)	\$0	\$338,373	\$341,780	\$345,644
TOTAL Revenues	\$0	\$338,373	\$341,780	\$345,644
Net Impact to Fund Balance (Re	vonuo minus Eundine	of Evnanditures		
General Fund (01)	venue minus Funding \$0	(\$117,627)	(\$119,020)	(\$119,956)
Federal Special Revenue (03)	<u>\$0</u>	\$0	\$0	\$0
STATEWIDE SUMMARY				
STATEWIDE SCHWARKI	FY 2026	FY 2027	FY 2028	FY 2029
	<u>Difference</u>	Difference	<u>Difference</u>	<u>Difference</u>
Fiscal Impact				
TOTAL Fiscal Impact	0.00	0.00	0.00	0.00
•				
Expenditures				
Operating Expenses	\$18,100	\$0	\$0	\$0
Benefits	\$0	\$456,000	\$460,800	\$465,600
TOTAL Expenditures	\$18,100	\$456,000	\$460,800	\$465,600
Funding of Expenditures				
General Fund (01)	\$0	\$117,627	\$119,020	\$119,956
State Special Revenue (02)	\$18,100	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$338,373	\$341,780	\$345,644
TOTAL Funding of	\$18,100	\$456,000	\$460,800	\$465,600
Expenditures	,		-	
Revenues				
Federal Special Revenue (03)	\$0	\$338,373	\$341,780	\$345,644
TOTAL Revenues	\$0	\$338,373	\$341,780	\$345,644
Net Impact to Fund Balance (Re	venue minus Funding	g of Expenditures)		
General Fund (01)	\$0	(\$117,627)	(\$119,020)	(\$119,956)
State Special Revenue (02)	(\$18,100)	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	<u>\$0</u>	<u>\$0</u>	\$0
Technical Concerns	• 9			

\$0

\$0

\$456,000

\$117,627

\$338,373

Technical Concerns

Department of Labor and Industry (DLI)

1. Section 2(4) requires the department to coordinate with doulas to "oversee certification of state-certified doulas." State-certified doulas is no longer a defined term within the bill, having been amended out. As a result, the clause creates ambiguity in that DLI is to coordinate with doulas to oversee and certify a category of doula that does not exist.

Department of Public Health and Human Services (DPHHS)

2. Doulas are not considered core providers for Federally Qualified Health Center (FQHC)s and Rural Health Clinic (RHC)s or Tribal 638/Indian Health Service (IHS) clinic providers, therefore, services provided by doulas employed by these providers, are not eligible for reimbursement under the prospective payment

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(continued)

- system (PPS) or federal all-inclusive rate. Reimbursement for these services will be based on fee for service rates to be established by DPHHS.
- 3. Since SB 319 only makes state-certified doula services permissible under Medicaid. DPHHS would not implement unless provided the legislative appropriation to implement the service.

Sponsor's Initials

Date

Budget Director's Initials

4/15/2025

Date