

**Fiscal Estimate - 2015 Session**

Original
  Updated
  Corrected
  Supplemental

<b>LRB Number</b> <b>15-2674/1</b>	<b>Introduction Number</b> <b>AB-0310</b>
<b>Description</b> Family planning and preventive health services grants and granting rule-making authority	
<b>Fiscal Effect</b>	
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriations  <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs	
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory  5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.435(1)(a) and 20.435(1)(m)	
<b>Agency/Prepared By</b> DHS/ Sara Koller (608) 267-5147	<b>Authorized Signature</b> Andy Forsaith (608) 266-7684
	<b>Date</b> 9/1/2015

## Fiscal Estimate Narratives

DHS 9/1/2015

LRB Number	15-2674/1	Introduction Number	AB-0310	Estimate Type	Original
<b>Description</b> Family planning and preventive health services grants and granting rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Wisconsin Department of Health Services (DHS) does not apply for grant funds under Title X of the federal Public Health Service Act, and so does not determine how the funds are distributed within the state. Title X services include the provision of contraceptive care, sexually transmitted disease screening, HIV testing, and cervical cancer screening. For the current 2015-18 funding cycle, the only Wisconsin Grantee is Planned Parenthood of Wisconsin, Inc.

Under AB 310, DHS would apply for Title X family planning grant funds for every funding cycle. It is unknown whether the federal government would award the grant to the Department. If awarded the grant, DHS would distribute funds giving first priority to the Wisconsin Well-Woman Program (WWW) and other public entities, then to certain nonpublic entities as funding allows. Sub-grantees would be able to provide some or all of the funds to other public or private entities provided that the recipient does not provide abortion services, make referrals for abortion services, or have an affiliate that does so.

Fiscal effects of this bill would fall under two categories: one-time costs associated with program design and application preparation and recurring costs should DHS be awarded Title X funds in the next funding cycle.

#### Application and Program Design Costs

Prior to preparing and submitting a competitive Title X grant application for Wisconsin, DHS would need to build the capacity to fulfill requirements as a Title X Grantee. This would involve three stages of planning/preparation. First, DHS must organize infrastructure and staff within the Department to support the functions required of a Title X Grantee. Second, DHS must identify the service area for the proposed Title X Project and services. Third, DHS must develop the service network of qualified local health care providers to provide patient care following Title X requirements.

DHS does not currently have the capacity to support a Title X Project. Preliminary organization of infrastructure to support the functions expected of a Title X Grantee would require 400 hours of agency and personnel costs at \$48 per hour, or \$19,231 GPR. Once the program is designed, DHS would require an additional 200 hours of staff time, or \$9,615 GPR, as well as \$10,000 GPR for surveillance, needs assessment, and demographic data, in order to prepare the application. DHS would also need to demonstrate adequate reporting abilities between the program and federal Title X system, and between the program and sub-grantees, necessitating \$850,000 GPR for the data reporting system interface design and build. This number assumes 8,500 development hours for a system that should be able to utilize some existing reporting capability. However, this number is very uncertain. If the Department is able to simply modify existing systems to export to the federal Family Planning Annual Report Data System, the cost could be much lower, but if the Department must build an entirely new system, the cost could increase substantially.

In order to create a successful application, the Department would be responsible for developing the Title X service area and network of service area providers, as the WWW and local health departments do not currently provide sufficiently robust services and the service network would be expected to have the capacity to maintain levels of patient volume by previous providers. Staff would need to designate areas of highest need and identify prospective qualified and eligible healthcare providers willing to commit to providing services under Title X guidelines. Interested and eligible care providers would then need enough training and technical assistance in order to be designated as "service ready." The Department estimates the staff time for outreach to prospective providers to be about 300 hours, or \$14,423 GPR, and the development and deployment of training materials to be \$75,000 GPR. Local agencies would need to develop infrastructure and train staff in anticipation of providing future Title X services at a cost of \$10,000 per subcontract for 10 subcontracts, or \$100,000 GPR. We expect all these costs to be one-time.

## Grantee Administration and Staffing

If designated as a Title X Grantee, DHS would be responsible for financial grants management, information management, contract management, and quality assurance and oversight of local clinical services (including periodic on-site review and patient record audits). While some functions could be sub-contracted, a minimum of 5.0 FED FTE would be required to provide dedicated program services as a Title X Grantee. The data reporting system would require additional cost for annual maintenance. The Department expects all these costs to be recurring and covered by the Title X grant funds.

In order to provide future technical assistance and training past the initial program start-up, DHS would work with contractors to provide those services at a cost of \$150,000 FED per year.

DHS would require 1.0 FTE FED Health Services Supervisor to serve as a project manager. Service coordination (including clinical needs identification and prospective provider solicitation) and quality assurance (for care delivery, documentation, and Title X compliance) would require 1.0 FTE FED Advance Practice Nurse Practitioner to serve as a Clinical Services Consultant and 1.0 FTE FED Public Health Nurse to serve as a Reproductive Health Nurse Consultant. In order to provide quality assurance for data integrity and financial accountability, DHS would require 1.0 FTE FED Research Analyst Senior to serve as a Data System Manager. Project support would be provided by 1.0 FTE FED Office Associate. Taking into account costs for salaries, fringe, and supplies/services, this would total \$397,400 FED, and would be an annual cost. One-time office set-up costs are estimated at \$2,500 GPR per FTE, or \$12,500 GPR.

The data system established for reporting requirements between the federal system, state, and local departments would require annual maintenance as well as periodic updates when reporting requirements change. This would come to a \$200,000 FED annual cost.

Should DHS apply for Title X funding in FY 2018 (the next funding cycle) and be designated a Grantee, the Department expects to spend \$1,090,769 GPR in FY 2017 and \$747,400 FED every year after. If DHS is not designated a Grantee, the Department expects to expend \$34,015 GPR every three years to re-establish service networks, gather surveillance and demographic data, and produce the grant application.

## Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> Family planning and preventive health services grants and granting rule-making authority	
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>	
One-time cost of \$1,090,769 necessary for the planning and development of the DHS Title X program and application.	
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>
	Increased Costs      Decreased Costs
<b>A. State Costs by Category</b>	
State Operations - Salaries and Fringes	\$342,400
(FTE Position Changes)	(5.0 FTE)
State Operations - Other Costs	405,000
Local Assistance	
Aids to Individuals or Organizations	
<b>TOTAL State Costs by Category</b>	<b>\$747,400</b>
<b>B. State Costs by Source of Funds</b>	
GPR	
FED	747,400
PRO/PRS	
SEG/SEG-S	
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>	
	Increased Rev
	Decreased Rev
GPR Taxes	\$
GPR Earned	
FED	
PRO/PRS	
SEG/SEG-S	
<b>TOTAL State Revenues</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>	
	<u>State</u>
	<u>Local</u>
NET CHANGE IN COSTS	\$747,400
NET CHANGE IN REVENUE	\$
<b>Agency/Prepared By</b>	
<b>Authorized Signature</b>	
<b>Date</b>	
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