

SOUTH DAKOTA LEGISLATIVE RESEARCH COUNCIL

FISCAL NOTE, 2013 LEGISLATIVE SESSION

FISCAL NOTE 2013-HB1214A

House State Affairs Engrossed version of HB 1214 is an Act to provide medical care for certain unborn children.

The bill directs the Department of Social Services to establish a prenatal care program to provide for the medical care of unborn children whose mothers are ineligible for Medicaid coverage based on their citizenship status.

South Dakota's current Medicaid state plan does not cover unborn children. However, if eligible, low income pregnant women are covered. South Dakota's Medicaid program also provides Medicaid coverage for emergency services for non-qualified aliens.

- As a condition of eligibility for Medicaid, an individual must provide proof of his/her U.S. citizenship or legal alien status.
- A non-qualified alien is not eligible for Medicaid services with the exception of emergency services. A non-qualified alien may be eligible for emergency medical services if they meet all other Medicaid eligibility criteria except for citizenship.
- Emergency services include labor and delivery services and other life threatening treatment needs.
- With the enactment of CHIPRA in 2009, states received the option to cover unborn children using Title XXI funding. This includes coverage for pregnant women who would not be eligible for traditional Medicaid because they are ineligible aliens or U.S. citizens who are ineligible due to Medicaid sanctions.
- There are currently 15 states utilizing the CHIPRA option: Nebraska, Arkansas, California, Illinois, Louisiana, Massachusetts, Michigan, Minnesota, Oklahoma, Oregon, Rhode Island, Tennessee, Texas, Washington and Wyoming.
- Studies show that offering prenatal care services is expected to improve birth outcomes and reduce the incident of neonatal complications.

The program established by HB1214 would be eligible for federal funding at the Title XIX FMAP rate of 54.2% in SFY14. The Department of Social Services believes that based on its available information the FY14 fiscal impact of this bill would be:

\$241,777 general funds

\$286,119 federal funds

\$527,896 total funds

Within 30 days after enactment, the Department of Social Services is directed to submit a state plan amendment for approval by the federal Centers for Medicare and Medicaid Services. Also, the Secretary of the Department of Social Services is directed to promulgate rules dealing with financial participation. These estimates are based on the department's assumptions, as the administering agency, of what may or may not happen in the approval and rule making process.

LRC staff does not have the same access to Title XIX and Title XXI claim information as the Department of Social Services. After reviewing the estimate provided by the Department of Social Services, LRC staff believes that the estimate for the House State Affairs Engrossed version of HB1214 is reliable.

Pursuant to Chapter 6C of the Joint Rules of the Legislature, this fiscal note was prepared in consultation with the Bureau of Finance and Management and they concur with the note as written.

APPROVED BY: /S/ James Fry DATE: 03/01/2013