

Fiscal Estimate - 2013 Session

Original Updated Corrected Supplemental

LRB Number 13-0656/3		Introduction Number SB-104			
Description Requiring congenital heart defect screening in newborns and granting rule-making authority					
Fiscal Effect					
State:					
<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			
Local:					
<input checked="" 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"/> Counties		<input type="checkbox"/> Others			
<input type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts			
<input type="checkbox"/> Cities					
Fund Sources Affected Affected Ch. 20 Appropriations					
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS					
Agency/Prepared By		Authorized Signature		Date	
DHS/ Elizabeth Hartjes (608) 266-9363		Andy Forsaith (608) 266-7684		4/19/2013	

Fiscal Estimate Narratives

DHS 4/19/2013

LRB Number	13-0656/3	Introduction Number	SB-104	Estimate Type	Original
Description Requiring congenital heart defect screening in newborns and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, an attending physician or nurse is required to ensure that every infant born in a hospital or maternity home undergoes a blood test for congenital and metabolic disorders and a screening for hearing loss. If the infant is born elsewhere, the attending physician or nurse is required to ensure that the child is subject to a blood test and a hearing test within one week of birth. In 2012, there were approximately 66,000 births in Wisconsin.

This bill requires physicians, nurse-midwives, and certified professional midwives who attend a birth that occurred in or en route to a hospital to: 1) ensure that the infant is screened for a congenital heart defect using pulse oximetry (or a method designated by DHS) prior to discharge from the hospital; 2) notify the infant's parents or legal guardians of screening results; and 3) provide information on available resources for further diagnosis and treatment for a possible congenital heart defect if the screening result is abnormal. This bill requires DHS to periodically review medical literature for new evidence-based practices for infant congenital heart defect screening and designate another screening method as appropriate if it becomes accepted in the medical community as effective. This bill grants DHS rule-making authority to: 1) replace pulse oximetry, or another officially designated screening method, as the only appropriate method by rule; and 2) specify, by rule, how to complete the appropriate screening method.

Pulse oximetry is a bedside test for critical congenital heart defects where sensors are placed on the infant's right hand and a foot to determine the amount of oxygen in the blood. According to the Centers for Disease Control and Prevention, pulse oximetry screening requires approximately 10 minutes per screen and has an estimated cost of \$5 to \$15 per infant. Costs associated with this type of screening include screening equipment, supplies such as probes and adhesive tape, and staff time to perform the screening and track results. The Department would not be responsible for the costs of the screening equipment and supplies. Screening for infants covered by the Medicaid program could accrue costs that would generally already be covered within bundled rates for newborns. Additional costs could be incurred in the case of a positive screening whereby an additional echocardiography evaluation would be required. An echocardiography is a benefit currently covered under the Medicaid program. There may also be cost savings from avoided costs of care through more immediate identification of infant heart defects and earlier intervention and treatment. These potential savings are unknown at this time. This bill does not require pulse oximetry screening for out-of-hospital births, such as home births. In 2010, there were 1,200 home births in Wisconsin.

Unlike other statutorily mandated newborn screening (s. 253.13 for blood screening and s. 253.115 for hearing screening), this bill does not directly require the Department or local health departments to administer or monitor newborn pulse oximetry screening. However, the Department is granted rule-making authority to specify how to complete the pulse oximetry screening. The rule-making process and the subsequent rule result in an anticipated fiscal impact to the Department. To be consistent with other Wisconsin newborn screening programs, it is expected that DHS would be involved in the following screening program areas by rule: education and training for hospitals and health care providers related to screening best practices; collecting and maintaining screening data; evaluating and conducting ongoing research of screening methodology; and providing educational materials for families.

Assuming the Department promulgates an administrative rule consistent with other newborn screening programs, the department estimates the following annual costs:

- \$7,000 to develop online training materials for hospitals and health care providers regarding best screening practices and general screening protocol
- \$20,500 to maintain infrastructure for data collection
- \$31,600 to evaluate screening methodology by analyzing data and reviewing medical literature
- \$5,000 to print and distribute educational materials for families (in English and Spanish)

In summary, the Department anticipates \$64,100 GPR in annual costs, in addition to costs in staff time for rule promulgation.

The Department does not anticipate this legislation will have a fiscal impact on local health departments.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

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Description Requiring congenital heart defect screening in newborns and granting rule-making authority			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$	\$	
(FTE Position Changes)			
State Operations - Other Costs	64,100		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$64,100		\$
B. State Costs by Source of Funds			
GPR	64,100		
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$	\$	
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$64,100	\$	
NET CHANGE IN REVENUE	\$	\$	
Agency/Prepared By		Authorized Signature	Date
DHS/ Elizabeth Hartjes (608) 266-9363		Andy Forsaith (608) 266-7684	4/19/2013