

CS for SB 930

IV. DEPARTMENT OF HEALTH ECONOMIC IMPACT AND FISCAL NOTE:

A. FISCAL IMPACT ON THE DEPARTMENT OF HEALTH:

Florida Kidcare Outreach. In FY 2002-03, the final year of its operation, the Florida Kidcare Outreach budget was approximately \$5.3 million, much of which was from federal sources. Part of this budget supported 6 FTEs located at the Department of Health. The Department also contracted with the University of South Florida Lawton and Rhea Chiles Center for Healthy Mothers and Babies to conduct many of the outreach activities, including contract management for 17 regional projects that tailored outreach to the needs of Florida's distinct communities. Examples of the types of activities the outreach budget funded included:

- Toll-free information line for families (first assumed by AHCA and then by Florida Healthy Kids when DOH outreach was eliminated);
- 17 regional Kidcare outreach projects, which helped to recruit Florida Kidcare "partners" to distribute information about Florida Kidcare and help families fill out applications;
- Multi-media marketing campaign;
- Marketing materials to educate families and providers about Florida Kidcare and the benefits of accessing and retaining health insurance;
- Centralized distribution of materials to regional projects, special targeted populations and program partners;
- Centralized family advocacy, problem solving, quality improvement and feedback to the Kidcare partner agencies about problem areas;
- Outreach evaluation of the specific strategies employed by the regional projects and county level enrollment and disenrollment trends;
- Intensified target outreach to hard to reach and underserved populations, such as refugees and entrants, Hispanic migrants, American Indians and Alaska Natives, African Americans, and children with special health care needs;
- Interagency collaboration, which included staffing for the Kidcare Coordinating Council and Kidcare Interagency partners, data and evaluation, policy analysis, outreach training and technical assistance to the regional projects; technical assistance to the department on related child health issues, and liaison staff for the outreach projects; and
- Florida Kidcare website.

DOH staffing needs would depend on the scope and types of activities to be performed under this bill's provisions.

Enrollment and Retention. Many of the bill's provisions are targeted to enrolling and retaining children in the program by simplifying processes and reducing their "time out" periods for issues such as non-payment of premium. The potential impacts of these

additional funds and budget authority would be needed for the Children's Medical Services Network.

Elimination of Family Premium for Children with Special Health Care Needs. According to the most recent KidCare Estimating Conference, for FY 2007-08 the estimated value of family contributions for the Title XXI-funded CMS Network is \$1,394,571. This amount would become part of the network's total expenditures, which would be matched by the federal government at Florida's Title XXI federal matching percentage rate of 71.13% for July through September, 2007, and 69.78% thereafter.

Family Contribution	Federal Share	State Share	Total
2007-08	\$977,838	\$416,733	\$1,394,571
2008-09	\$1,244,670	\$539,036	\$1,783,706
2009-10	\$1,527,653	\$661,589	\$2,189,242

New Responsibilities for Florida Kidcare.

Senate Bill 930 creates within the Department of Health several new units that will require additional staff. Section 391.028(4), F.S., requires the creation of the Division of Children's Health Insurance. As addressed in Section 409.818(2)(c)-(g), F.S., the division is responsible for the eligibility requirements for the program, developing the procedures for enrollment in the program, a plan to publicize the Florida Kidcare Program, as well as, establishing pediatric quality assurance and access standards. In addition, under 409.818(3), F.S., the division is charged with the responsibilities of establishing administrative rules, policies and standards for the operation of the program.

Section 391.028(5), F.S., creates the Office of Child Health Coordination, which is responsible for child health services not directly related to Florida Kidcare health benefits coverage. This office also shall be responsible for providing staff support to the children's health coordinating council and to the Commission on Children's Health. Subsection 409.813(6), F.S., will increase enrollment of children with special health care needs. The first year's implementation of these provisions would increase average monthly enrollment by an estimated 928 children. Based on current Children's Medical Services (CMS) care coordination practice models, CMS care coordination ratios are one care coordinator to 100 children. Therefore, in the first year, an additional 10 care coordinators would be necessary. During year two, it is estimated that there will be an additional increase of 1,534 children, supporting the need to create 15 additional care coordination positions. In year three, the estimated enrollment will increase by 3,289, supporting the need for 33 additional care coordination positions. The following information reflects the staff and budget necessary to carry out these additional duties and responsibilities. All proposed expenditures are supported with 70% Title XXI Trust Funds and 30% General Revenue. Additional budget authority for the amounts indicated will be necessary. Upon the dissolution of the Florida Healthy Kids Corporation, DOH administrative costs will be offset.

Estimated Expenditures	1 st Year	2 nd Year (Annualized/ Recurr)	3 rd Year (Annualized/ Recurr.)
Salary & Benefits			
Div. of Children's Health Insurance			
1 Division Director	\$96,690	\$132,788	\$136,772
1 Administrative Assistant III	\$36,434	\$50,036	\$51,537
2 Bureau Chief	\$ 157,528	\$216,339	\$222,829
2 Administrative Assistant II	\$61,976	\$85,113	\$87,667
1 Registered Nurse Consultant	\$59,649	\$81,917	\$84,375
5 Government Operations Consultant III	\$229,718	\$315,480	\$324,944
Sub-Total S&B	\$641,995	\$881,673	\$908,124
Office of Child Health Coordination			
1 Office of Child Health Coordinator	\$78,764	\$108,169	\$111,415
1 Government Operations Consultant III	\$45,944	\$63,096	\$64,989
Sub-Total S&B	\$124,708	\$171,265	\$176,404
Family Opportunity Act			
Year 1 – 10 Registered Nurse Specialist	\$498,426	\$684,500	\$705,035
Year 2 – 15 Registered Nurse Specialist	\$0	\$747,634	\$1,036,750
Year 2 – 8 Administrative Secretary	\$0	\$189,688	\$260,505
Year 3 – 33 Registered Nurse Specialist	\$0	\$0	\$1,644,794
Year 3 – 8 Administrative Secretary	\$0	\$0	\$189,688
Total 58 RNS and 16 AS			
Sub-Total S&B	\$498,426	\$1,621,822	\$3,836,772
Total Salary & Benefits	\$1,265,125	\$2,674,761	\$4,911,300
<i>Note: FTE's computed with 28% fringe and 25% lapse on new positions in the year in which they are established. Subsequent year salary and benefits are annualized with a 3% cost of living increase.</i>			
Other Personal Services	\$0	\$0	\$0
Expense			
Recurring	\$152,079	\$291,574	\$547,871
Non Recurring Expense	\$80,745	\$74,854	\$136,522
Travel – Recurring	\$356,058	\$558,738	\$1,004,634
Total Expense	\$588,882	\$925,166	\$1,689,027
<i>Note: Recurring Travel includes Medium Travel for the 12 members of the FL Commission on Children's Health.</i>			
Operating Capital Outlay	\$ 31,200	\$29,900	\$53,300
Human Resources Services (SC 107040) -- Recurring	\$9,624	\$18,847	\$35,288
Total Estimated Expenditures	\$1,894,831	\$3,648,674	\$6,688,915
Estimated Revenue			
	1 st Year	2 nd Year (Annualized/ Recurr)	3 rd Year (Annualized/ Recurr.)
	\$0	\$0	\$0
Total Estimated Revenue	\$0	\$0	\$0

V. OTHER FISCAL IMPACT:

A. FISCAL IMPACT ON OTHER STATE AGENCIES/STATE FUNDS:

Yes No

There would be a fiscal impact on the Agency for Health Care Administration (AHCA), the Department of Children and Families, and the Florida Healthy Kids Corporation.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

Yes No

Local governments with programs for the uninsured may see fewer uninsured children, allowing them to conserve resources for other people without access to health care coverage.

C. DIRECT FISCAL IMPACT ON PRIVATE SECTOR:

Yes No

1. Private Sector Costs: Some insurers may see a slight reduction in covered children whose parents are paying more than 5% of their incomes for their Florida Kidcare eligible children's health care coverage.
2. Private Sector Benefits: To the extent fewer children are uninsured or have lapses in coverage, providers should receive compensation for services that may now be charity care or bad debt.
3. Effects on Competition, Private Enterprise and Employment Markets: NA

D. FISCAL COMMENTS: