

# Fiscal Note

State of Alaska  
2013 Legislative Session

Bill Version: SB 87  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: SB087-DHSS-WCFH-4-1-13  
Title: NEWBORN SCREENING FOR HEART DEFECTS  
Sponsor: MICCICHE  
Requester: Senate Health & Social Services Committee

Department: Department of Health and Social Services  
Appropriation: Public Health  
Allocation: Women, Children and Family Health  
OMB Component Number: 2788

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	158.8		183.8	183.8	183.8	183.8	183.8
Travel	5.0		3.5	2.0	2.0	2.0	2.0
Services	210.0		75.0	75.8	76.5	77.3	78.1
Commodities	11.0		1.0	1.0	1.0	1.0	1.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>384.8</b>	<b>0.0</b>	<b>263.3</b>	<b>262.6</b>	<b>263.3</b>	<b>264.1</b>	<b>264.9</b>

## Fund Source (Operating Only)

1002 Fed Rcpts	38.5		26.3	26.3	26.3	26.4	26.5
1004 Gen Fund	346.3		237.0	236.3	237.0	237.7	238.4
<b>Total</b>	<b>384.8</b>	<b>0.0</b>	<b>263.3</b>	<b>262.6</b>	<b>263.3</b>	<b>264.1</b>	<b>264.9</b>

## Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time	1.0		1.0	1.0	1.0	1.0	1.0
Temporary							

<b>Change in Revenues</b>							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/14

## Why this fiscal note differs from previous version:

Initial version.

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Phone: (907)269-2042  
Date: 03/29/2013 12:00 PM  
Date: 04/01/13

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2013 LEGISLATIVE SESSION

BILL NO. SB087

### Analysis

This bill amends AS 18.15 to add a new section (AS 18.15.205) to require all licensed birthing facilities to screen all newborns for congenital heart defects as close to 24 hours after birth as is feasible, or before discharge; provide information on screening/testing; order or perform confirmatory testing and intervention for all infants who have abnormal screening results; and report screening, testing, intervention and refusal data annually to the department and parents/guardians. Parents or legal guardians may refuse screening or testing. The department is required to collect and analyze the data. This bill does not apply to births at unlicensed birthing facilities or at home. New regulations will need to be written for statewide guidelines surrounding the screening, referral, and diagnosis of congenital heart defects for children with abnormal screening results and the data reporting process.

In Alaska, between 1996 and 2002, cardiovascular birth defects were the most frequently reported congenital anomalies, affecting about 2% of the 11,000 deliveries per year, or 220 babies annually. Newborn screening for congenital heart defects is routinely done with pulse oximetry. Pulse oximetry screening is a quick, painless, bedside test to determine the amount of oxygen in the blood and pulse rate. Low levels of oxygen in the blood can be a sign of a critical congenital heart defect. Once identified, babies with a critical congenital heart defect can be seen by pediatric cardiologists and can receive specialized care and treatment that could prevent death or disability early in life.

Currently, there are 20 hospitals and 9 free-standing licensed birthing centers in the state offering birthing services. For the 7 hospitals with 50 or more beds, this bill takes effect January 1, 2014. For the 13 hospitals and 9 birthing centers with fewer than 50 beds, the effective date is delayed two years to 2016. While most of the free standing birthing centers are licensed, some are not and are excluded along with home deliveries. Many hospitals in Alaska have voluntarily implemented this practice or are in varying stages of implementation including: Providence Alaska Medical Center, Alaska Regional Hospital, Alaska Native Medical Center, Mat-Su Regional Hospital, Basset Army Hospital, and Fairbanks Memorial Hospital, among many others. These facilities account for about 2/3 of Alaska's deliveries. Based on experience with other newborn screening programs, 99% of parents/guardians will opt to have the pulse oximetry test.

Costs for the screening test would be billed to insurance companies by hospitals and birthing centers if the parent's insurance provides coverage. For Medicaid enrollees, costs would be included in global fees already paid for delivery services so no additional cost for benefits is anticipated. Medicaid is expected to reimburse a share of the costs to administer the program.

This program will require 2.00 FTEs to administer and support this program - 1.5 new and 0.5 existing, repurposed. To prepare for implementation as soon as regulations are adopted, starting in Year 1, a new 1.0 FTE Public Health Specialist II position would oversee the administrative and clinical implementation and maintenance of this program, write regulations, determine the data system and components to be added or purchased, and provide technical assistance to birthing facilities across the state. A new 0.5 FTE Office Assistant II would be needed for general clerical duties and to manage the paperwork, data entry, and letter generation for follow up and referral processes. Data collection and reporting would be done by an existing 0.25 FTE Health Program Associate, along with project management & quality control for the data system. Starting in Year 2, an existing 0.25 FTE Research Analyst III would analyze the data. The existing positions are currently funded by federal grants. Those funds could not be used for the purposes of this bill and therefore general funds will be needed. There would be additional costs for phones, software licenses and other contractual costs, design & printing of educational materials for providers & parents, along with \$10.0 one-time costs to set up new office spaces.

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2013 LEGISLATIVE SESSION

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### Analysis Continued

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Travel will be needed for outreach and technical assistance for hospitals and birthing facilities on screening practice and data reporting. Face-to-face contact and education with the birthing facility and administrative staffs will facilitate a smoother implementation for this program. It is expected that the most travel will be needed in Year 1 for initial database training and education of providers on screening protocols and will gradually reduce and level off by Year 3.

A data system for critical congenital heart defects will be required. Currently, the Alaska Birth Defects Registry collects data on critical congenital heart defects and other cardiac anomalies from health care facilities and providers. However, the Registry is paper-based, requiring on-site chart reviews for verification. A web based data system would be the most efficient way for facilities to report data. Costs in Year 1 include \$200.0 one-time cost to procure the congenital heart defects registry required to implement this bill. Purchasing a system to encompass the entire Alaska Birth Defects Registry is outside the scope of this fiscal note. An annual hosting and maintenance fee is included in future years based on a per record (birth) price structure similar to the Newborn Hearing web based data system. Annual costs are expected to rise 1% per year as the number of births increase over time. This does not reflect any cost increases due to inflation.