



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: SB0319.03 (001): Generally revise health care laws related to doulas

Primary Sponsor: Cora Neumann Status: As Amended in House Committee

☐ Included in the Executive Budget ☒ Needs to be included in HB 2 ☐ Significant Local Gov Impact

☐ Significant Long-Term Impacts ☒ Technical Concerns ☐ Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
<b>Expenditures</b>				
General Fund (01)	\$0	\$117,627	\$119,020	\$119,956
State Special Revenue (02)	\$18,100	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$338,373	\$341,780	\$345,644
<b>Revenues</b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$338,373	\$341,780	\$345,644
<b>Net Impact</b>	<u>\$0</u>	<u>(\$117,627)</u>	<u>(\$119,020)</u>	<u>(\$119,956)</u>
<b>General Fund Balance</b>				

### Description of fiscal impact

SB 319 will establish state certification for doula services, allowing rulemaking to specify requirements and regulation. The fiscal impact of this bill includes initial rulemaking and IT costs as well as Medicaid coverage and reimbursement of state-certified doula services. This amendment doesn't change from the original fiscal note (SB0319.01).

### FISCAL ANALYSIS

#### Assumptions

#### Department of Labor and Industry (DLI)

1. The total rule making costs to the department are estimated to be \$2,500. DLI will utilize their legal services to include drafting the notice, preparing the adoption, and responding to comments.
2. A new license type for doulas will be added to the licensing database to include an application and renewal record. Forms for the licensing process will be created for online application and renewal, and the department website will be updated. The Technology Services Division (TSD) estimates that it will spend 130 hours to complete the implementation. This estimate includes work to complete an analysis, design, develop, script and test. DLI will be billed at a rate of \$120 per hour for a total expense of \$15,600.
3. DLI will utilize existing resources to administer the licensure for doulas. The work will include processing applications, issuing licenses and renewals, and managing compliance.
4. License fees are unknown at this time, but will be set commensurate with costs.

#### Department of Public Health and Human Services (DPHHS)

5. For the purposes of this fiscal note, DPHHS assumes the effective start date of this optional service is July 1, 2026, as stated in section 8 of the bill.
6. Medicaid eligible births are from the Montana Medicaid dashboard for calendar year 2023. A caseload inflationary factor of 1.0% was used to calculate births for FY 2027 - FY 2029.
7. Visit and rate assumptions are based on a combination of the Centers for Medicare and Medicaid Services (CMS) approved state plans of various state Medicaid agencies.
8. DPHHS assumes 6 prenatal and 2 postpartum visits reimbursed at \$100 per visit with one labor and delivery support at \$800, equating to a maximum of \$1,600 per pregnancy.
9. Based on nationally available data, DPHHS assumes state-certified doulas will be involved in 6.0% of Medicaid births annually. This results in an assumption of 285 state-certified involved Medicaid births in FY 2027.
10. The estimated FY 2027 benefits total is \$456,000 which includes standard Medicaid benefits of \$252,800, Medicaid expansion benefits of \$193,600, Children's Health Insurance Program (CHIP) benefits of \$3,200 and \$6,400 tribal benefits.
11. The estimated FY 2028 benefits total is \$460,800 which includes standard Medicaid benefits of \$256,000, Medicaid expansion benefits of \$195,200, CHIP benefits of \$3,200 and \$6,400 tribal benefits.
12. The estimated FY 2029 benefits total is \$465,600 which includes standard Medicaid benefits of \$257,600, Medicaid expansion benefits of \$198,400, CHIP benefits of \$3,200 and \$6,400 tribal benefits.
13. DPHHS assumes the standard benefit costs will be eligible for standard Medicaid Federal Medical Assistance Percentage (FMAP) (38.53% general fund, 61.47% federal funds in FY 2027 - FY 2029); the Medicaid expansion benefit costs will be eligible for the expansion FMAP (10% general fund, 90.00% federal funds in FY 2027 - FY 2029); CHIP benefit costs will be eligible for the CHIP FMAP (26.97% general fund, 73.03% federal funds in FY 2027-FY 2029); and doula services provided through an Indian health service provider and tribal services provider are eligible for 100% federal fund reimbursement.

### Fiscal Analysis Table

#### Department of Labor and Industry

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<b><u>Fiscal Impact</u></b>				
<b><u>Expenditures</u></b>				
Operating Expenses	\$18,100	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<b>\$18,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Funding of Expenditures</u></b>				
State Special Revenue (02)	\$18,100	\$0	\$0	\$0
<b>TOTAL Funding of Expenditures</b>	<b>\$18,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Revenues</u></b>				
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
State Special Revenue (02)	(\$18,100)	\$0	\$0	\$0

#### Department of Public Health and Human Services

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<b><u>Fiscal Impact</u></b>				
<b><u>Expenditures</u></b>				
Benefits	\$0	\$456,000	\$460,800	\$465,600

<b>TOTAL Expenditures</b>	<b>\$0</b>	<b>\$456,000</b>	<b>\$460,800</b>	<b>\$465,600</b>
<b><u>Funding of Expenditures</u></b>				
General Fund (01)	\$0	\$117,627	\$119,020	\$119,956
Federal Special Revenue (03)	\$0	\$338,373	\$341,780	\$345,644
<b>TOTAL Funding of Expenditures</b>	<b>\$0</b>	<b>\$456,000</b>	<b>\$460,800</b>	<b>\$465,600</b>
<b><u>Revenues</u></b>				
Federal Special Revenue (03)	\$0	\$338,373	\$341,780	\$345,644
<b>TOTAL Revenues</b>	<b>\$0</b>	<b>\$338,373</b>	<b>\$341,780</b>	<b>\$345,644</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
General Fund (01)	\$0	(\$117,627)	(\$119,020)	(\$119,956)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

**STATEWIDE SUMMARY**

	<b><u>FY 2026 Difference</u></b>	<b><u>FY 2027 Difference</u></b>	<b><u>FY 2028 Difference</u></b>	<b><u>FY 2029 Difference</u></b>
<b><u>Fiscal Impact</u></b>				
<b>TOTAL Fiscal Impact</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b><u>Expenditures</u></b>				
Operating Expenses	\$18,100	\$0	\$0	\$0
Benefits	\$0	\$456,000	\$460,800	\$465,600
<b>TOTAL Expenditures</b>	<b>\$18,100</b>	<b>\$456,000</b>	<b>\$460,800</b>	<b>\$465,600</b>
<b><u>Funding of Expenditures</u></b>				
General Fund (01)	\$0	\$117,627	\$119,020	\$119,956
State Special Revenue (02)	\$18,100	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$338,373	\$341,780	\$345,644
<b>TOTAL Funding of Expenditures</b>	<b>\$18,100</b>	<b>\$456,000</b>	<b>\$460,800</b>	<b>\$465,600</b>
<b><u>Revenues</u></b>				
Federal Special Revenue (03)	\$0	\$338,373	\$341,780	\$345,644
<b>TOTAL Revenues</b>	<b>\$0</b>	<b>\$338,373</b>	<b>\$341,780</b>	<b>\$345,644</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
General Fund (01)	\$0	(\$117,627)	(\$119,020)	(\$119,956)
State Special Revenue (02)	(\$18,100)	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

**Technical Concerns****Department of Labor and Industry (DLI)**

1. Section 2(4) requires the department to coordinate with doulas to “oversee certification of state-certified doulas.” State-certified doulas is no longer a defined term within the bill, having been amended out. As a result, the clause creates ambiguity in that DLI is to coordinate with doulas to oversee and certify a category of doula that does not exist.

**Department of Public Health and Human Services (DPHHS)**


2. Doulas are not considered core providers for Federally Qualified Health Center (FQHC)s and Rural Health Clinic (RHC)s or Tribal 638/Indian Health Service (IHS) clinic providers, therefore, services provided by doulas employed by these providers, are not eligible for reimbursement under the prospective payment

system (PPS) or federal all-inclusive rate. Reimbursement for these services will be based on fee for service rates to be established by DPHHS.

3. Since SB 319 only makes state-certified doula services permissible under Medicaid. DPHHS would not implement unless provided the legislative appropriation to implement the service.



Sponsor's Initials



Date



Budget Director's Initials

4/15/2025

Date