

**Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement**

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ORIGINAL

Bill Number: HB 1929 S1

Patron: Bolling

Bill Title: Pregnancy mobile application; Department of Health to contract with a mobile developer to create

Bill Summary: The substitute bill directs the Department of Medical Assistance Services (DMAS) to partner with a mobile pregnancy application to promote awareness of state government maternal and infant health programs and information available to prenatal, pregnant, and postpartum individuals who are eligible for Medicaid. The mobile application developer must create and operate the application on a statewide basis following a competitive bidding process. The application must have the capability to deliver education, resources, and support to prenatal, pregnant, and postpartum individuals and their families, including information specific to the Commonwealth such as links to DMAS and other state agency programs and resources available to prenatal, pregnant, and postpartum individuals. The application developer must also provide specified information to DMAS on regular intervals.

The bill requires that the mobile application develop be paid \$580,000 annually. The bill also requires DMAS to issue a request for proposal within 180 days of enactment.

Budget Amendment Necessary: Yes

Items Impacted: 292

Fiscal Summary: The substitute bill would require DMAS to partner with a mobile application developer to promote maternal and infant health as required by the bill. The bill requires that DMAS pay \$580,000 annually to cover the cost of the application beginning in FY 2026. In addition, DMAS would incur administrative costs associated with application procurement and implementation. At this time, it is assumed that a portion of the bill's costs would be eligible for federal Medicaid reimbursement. See table and fiscal analysis below.

General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
DMAS	-	\$369,750	\$348,573	\$348,573	\$348,573	\$348,573

Nongeneral Fund Expenditure Impact:

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
DMAS	-	\$369,750	\$348,573	\$348,573	\$348,573	\$348,573

Fiscal Analysis: Based on the VDH analysis of previous versions of this legislation, it is assumed that DMAS would incur costs in the first year for a project management, quality assurance, and information technology requirements. VDH estimated that total costs in the first year would be \$159,500. It is further assumed that DMAS would require a lower amount of information technology supports (\$117,146) going forward as continued oversight and monitoring costs decreased.

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The bill's enactment clause specifies that \$580,000 must be paid annually to support the cost of the mobile application. Since the amount of the contract is specified in the bill's enactment clause, it is assumed that DMAS would not be able to alter amount paid to a developer without future legislative action. As such, it is assumed that the \$580,000 annual payment would begin in FY 2026 and continue each year thereafter.

The bill requires that the mobile application developer provide DMAS with specified data on a regular basis. However, there are no requirements for DMAS to employ or utilize this data. As such, no additional costs are expected. Should DMAS be expected to analyze or implement policy changes based on the mobile application data, then additional costs would be incurred. The total cost of implementing the substitute bill is estimated to be \$739,500 the first year and \$697,146 in subsequent years. It is assumed that federal matching dollars would be available for this effort.

Other: This bill is a companion to SB 1393.