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

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ORIGINAL

Bill Number:HB 1929 S2Patron:BollingBill 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 enrolled in 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 substitute bill includes enactment clauses that requires DMAS to contract for the mobile application by October 1, 2026 with such appropriation provided through the general appropriation act. This contract would be limited to funding provided in the Appropriation Act. The bill also requires DMAS to submit a request for funding and issue a request for proposal within 180 days of enactment.

Budget Amendment Necessary: No Items Impacted: 292 (See Explanation)

Explanation: The provisions of this bill are subject to funding being provided in a general appropriation act. As such, a budget amendment to support contract costs in FY 2027 is necessary for DMAS to implement the proposed legislation.

Fiscal Summary: The substitute bill requires that DMAS implement a mobile pregnancy application no later than October 1, 2026 assuming contract support is provided in the Appropriation Act. The cost of the application is expected to range from \$600,000 to \$1.0 million in the first year of implementation and between \$200,000 to \$400,000 in subsequent years. The expenditure impact below reflects a midpoint cost and assumes federal Medicaid reimbursement. See table and fiscal analysis below.

<u>Agency</u>	<u>FY2025</u>	FY2026	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
DMAS	-	-	\$400,000	\$150,000	\$150,000	\$150,000
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General Fund Expenditure Impact:

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Fiscal Analysis: Based on historical efforts, DMAS reports that the cost of developing the required mobile application is expected to range between \$600,000 to \$1.0 million. This cost assumes that the contract vendor would cover project management, quality assurance, and information technology requirements. After development and implementation, it assumed that the application contractor would handle ongoing application administration and updates at a cost that could range between \$200,000 and \$400,000 annually. The tables above reflect a midpoint estimate of these cost ranges. DMAS reports that existing agency staff would be able to perform the associated procurement and contract monitoring activities. Identified costs are assumed to begin in FY 2027 based on the effective date of October 1, 2026. Further, it is assumed that the contract cost would be funded in the Appropriation Act by the 2026 General Assembly. Without an appropriation for the contract amount, the bill's provisions would not go into effect and no fiscal impact would occur.

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.

Other: This bill is a companion to SB 1393.