

February 17, 2021

The Honorable Richard Hilderbrand, Chairperson
Senate Committee on Public Health and Welfare
Statehouse, Room 445A-S
Topeka, Kansas 66612

Dear Senator Hilderbrand:

SUBJECT: Fiscal Note for SB 155 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 155 is respectfully submitted to your committee.

SB 155 would create the Newborn Screening Act which would establish an advanced universal newborn screening program within the Kansas Department of Health and Environment (KDHE). Under current law, newborn screening tests are based on newborn screening conditions recommended by a 2005 report by the American College of Medical Genetics. The bill would allow KDHE to determine the conditions included in newborn screening tests based on conditions recommended by the U.S. Secretary of Health and Human Services. The bill would change references to specific conditions under the current newborn screening program. The bill would remove from statute provisions regarding reimbursement of costs of medically necessary treatment or medically necessary food treatment products and instead make reimbursement subject to rules and regulations adopted by KDHE.

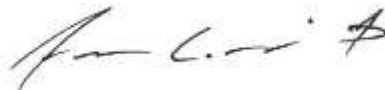
The bill would increase the transfer to the Kansas Newborn Screening Fund from the Medical Assistance Fee Fund. Last year's appropriations bill, 2020 SB 66, increased the transfer limit from \$2.5 million to \$5.0 million for only FY 2021. Under current law, the transfer limit will return to its regular statutory amount of \$2.5 million beginning in FY 2022. SB 155 would increase the maximum transfer to \$5.0 million annually. The bill would become effective upon its publication in the *Kansas Register*.

KDHE indicates the bill would provide for growth and expansion of the newborn screening program. Under the current maximum transfer of \$2.5 million to the Kansas Newborn Screening Fund, the Department allocates approximately \$550,000 to the Newborn Screening Follow-Up and \$1,950,000 to testing performed by KDHE laboratories. KDHE indicates that increasing the

transfer to a maximum of \$5.0 million would allow the agency to allocate \$1,065,000 for Newborn Screening Follow-Up, \$3,450,000 to testing performed by KDHE laboratories and \$485,000 to Newborn Screening Systems of Care. However, KDHE notes that under current law transfers to the Kansas Newborn Screening Fund are based on actual expenditures and increasing the transfer limit would not result in immediate increases to expenditures equal to the new cap. Reaching the allocations above would occur over time.

Currently, most of the Medical Assistance Fee Fund is used for KDHE KanCare expenditures under the Human Services Consensus Caseloads process. Increasing the transfer to the Kansas Newborn Screening Fund could require an increase of up to \$2.5 million from the State General Fund for Caseloads. Any fiscal effect associated with SB 155 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Dan Thimmesch, Health & Environment