

FISCAL NOTE
SENATE BILL NO. 2181
LC# 23.0465.02000
01/27/2023

1 - State Fiscal Effect

Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$371,848	\$1,157,684	\$796,558	\$1,460,372
Appropriations			\$371,848	\$1,157,684	\$796,558	\$1,460,372

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

SB 2181 increases TANF and Medicaid resources available to pregnant women who are lawfully residing in North Dakota throughout the entire term of their pregnancy.

4 - Fiscal Impact Sections Detail

Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

Section 1: TANF

The proposed change to allow pregnant women to receive TANF in their first and second trimester would make an additional 241 women in the first year of the biennium and 265 women in the second year of the biennium eligible for an additional 5 months of TANF. This is based on the 219 pregnant women who received TANF during the SFY

2022, including an assumed 10% increase in utilization each year of the biennium.

SB 2181 also removes the “benefit cap” provision outlined in subdivision v of section 1 of N.D.C.C. 50-09-29. The fiscal note estimates that this change will result in an increase in the number of children who will be eligible to participate in the TANF program. Based on data averaged over the last five years, benefits totaling \$29,220 were withheld from 42 children per year. The average cost over the last five years was used to account for families who do not receive TANF for a full 12 months during the year. (The average TANF benefit per child is \$98 per month.)

Sections 2 and 3: MEDICAID

The proposed change is to allow pregnant women who are lawfully residing in the U.S. to receive medical assistance benefits is anticipated to affect approximately 164 women each year of the biennium.

The language on page 4 lines 25 and 26 codifies the expectation that ND's Medicaid program provide medical assistance coverage for the duration of the pregnancy and 12 months postpartum.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

Section 1: TANF

The proposals outlined in SB 2181 would require \$657,920 in additional funding for direct assistance to pregnant women and children and \$50,000 in technology system enhancements.

An additional 241 women in the first year of the biennium, and 265 women in the second year, would become eligible for TANF benefits during the first and second trimester of pregnancy. Using the average TANF benefit for a single pregnant woman of \$237 per month and assuming an additional 5 months of eligibility per pregnant woman, the total impact is \$599,480 per biennium. By removing the Benefit Cap, the Department assumes families of 42 children would receive a TANF benefit at a cost of approximately \$29,220 per year. This is based on data averaged over the last five years.

This change would also require an additional \$50,000 to update the Self-Service Portal and Combined Eligibility System (SPACES), to include eligibility for the proposed changes.

Section 2: Medicaid

The proposal outlined in SB 2181 would require \$434,112 in additional funding for direct assistances to pregnant women and \$387,500 in technology system enhancements.

Eligibility would be expanded to pregnant women to an estimated 164 clients (beginning with 14 clients in July 1, 2024 and increasing 14 clients each month) by the end of June 30, 2025. It is estimated that a monthly per member per month rate is \$399.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

For the 2023-2025 biennium the Department of Health and Human Services would need appropriation increases to the base level budget in SB 2012 in the following line items; increase in operating expenses of \$437,500, of which,

\$109,375 is general fund, increase in the grants line of \$657,920, of which, \$58,440 is general fund, and increase in grants - medical assistance of \$434,112, of which, \$204,033 is general fund.

For the 2025-2027 biennium the Department of Health and Human Services would need appropriation authority in the following line items: increase in grants of \$686,466 in the grants line of \$58,440, increase in grants - medical assistance of \$1,570,464, of which, \$738,118 is general fund.

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