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**FISCAL IMPACT STATEMENT**

**LS 6209**  
**BILL NUMBER: SB 86**

**NOTE PREPARED: Apr 10, 2009**  
**BILL AMENDED: Apr 9, 2009**

**SUBJECT: Midwives**

**FIRST AUTHOR: Sen. Miller**  
**FIRST SPONSOR: Rep. Welch**

**BILL STATUS: CR Adopted - 2<sup>nd</sup> House**

**FUNDS AFFECTED:  GENERAL**  
 **DEDICATED**  
**FEDERAL**

**IMPACT: State & Local**

**Summary of Legislation:** (Amended) *Establishes the Midwifery Board-* The bill establishes the Midwifery Board (MB). The bill sets qualifications for a certified direct entry midwife (CDEM). The bill requires the MB to: (1) establish continuing education requirements; (2) develop peer review procedures; and (3) adopt rules concerning the competent practice of CDEMs.

*Penalty Provision-* The bill establishes penalties for practicing midwifery without a license.

*Culpability Standards-* The bill adds culpability standards to the crimes of practicing medicine or osteopathic medicine and acting as a physician assistant without a license.

*CDEM Administering Drugs-* The bill allows CDEMs to administer certain prescription drugs. The bill allows certain individuals to act under the supervision of a CDEM.

*Definition-* The bill repeals the definition of "midwife" in the medical malpractice law, and adds a definition of "certified nurse midwife". The bill makes conforming changes.

**Effective Date:** July 1, 2009.

**Summary of Net State Impact:** (Revised) The Professional Licensing Agency (PLA) would incur additional administrative expenditures. The MB would have expenditures for various items including: member travel mileage, telephone expense, office supplies, and printing. Cost could be offset, by the fees set by the MB for the certification of CDEMs.

**Explanation of State Expenditures:** (Revised) *Establishes the Midwifery Board-* The seven-member MB would be appointed by the Governor to oversee the certification of midwives. The MB would require an applicant to be North American Registry of Midwives (NARM) certified. The MB would be allowed to adopt standards that require more training than the requirements of the NARM.

**Professional Licensing Agency:** The PLA would provide the administrative staff to the MB. Need for additional staff would depend on the number of applicants for the license and the workload of current PLA staff with existing professional boards/commissions. An additional COMOT III to process licenses would require \$37,374 in expenditures during FY 2010. The amount includes salary, fringes, and indirect costs associated with establishing the position.

*Penalty Provision:* A Class D felony is punishable by a prison term ranging from six months to three years or reduction to Class A misdemeanor depending upon mitigating and aggravating circumstances. Assuming offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$1,825 annually, or \$5 daily, per prisoner. However, any additional expenditures are likely to be small. The average length of stay in Department of Correction (DOC) facilities for all Class D felony offenders is approximately ten months.

*Background-* The PLA reverted \$514,160 at the close of FY 2008. However, recent prior year reversions have been minimal due to the addition of several new boards and commissions, which currently total 39. As of November 24, 2008, the PLA had one vacancy worth \$40,950 in salary. As of late 2007, 93 certified nurse midwives and 68 nurse midwives were licensed to practice in Indiana. NARM reports from their 2007 annual report that 13 individuals in Indiana that have achieved a CPM credential. The Indiana Midwives Association (IMA) has about 30 midwife or student midwives in their membership.

**Explanation of State Revenues:** (Revised) *Establishes the Midwifery Board-* The fees for the certification of direct entry midwives would, presumably, be set at a level to cover certification expenses. The amount of revenue that would be generated by this proposal would depend on the number persons seeking a CDEM credential. For example, if the certification fee were set at \$100, which is similar to fees for other health professions, 13 individuals seeking certification would raise approximately \$1,300 in the first year of implementation. A license would expire after four years.

*Penalty Provision:* If additional court cases occur and fines are collected, revenue to both the Common School Fund (from criminal fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class A misdemeanor is \$5,000. The maximum fine for a Class D felony is \$10,000. However, any additional revenues would likely be small.

**Explanation of Local Expenditures:** (Revised) *Penalty Provision:* A Class A misdemeanor is punishable by up to one year in jail. If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. However, any additional expenditures would likely be small.

**Explanation of Local Revenues:** (Revised) *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

**State Agencies Affected:** Professional Licensing Agency; Department of Correction.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** Indiana State Budget Agency: *General and Rainy Day Fund Summaries, June 30, 2008*; Vacancy Report, 11/24/2008; Wade Lowhorn, Professional Licensing Agency; North American Registry of Midwives, 2007 Annual Report; Indiana Midwives Association.

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