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FISCAL IMPACT STATEMENT

LS 6438

BILL NUMBER: HB 1135

NOTE PREPARED: Dec 18, 2012

BILL AMENDED:

SUBJECT: Midwives.

FIRST AUTHOR: Rep. Lehe

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *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.

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

Repealers & Definitions- The bill repeals the definition of "midwife" in the medical malpractice law, and adds the definition of "certified nurse midwife". The bill makes conforming changes.

Effective Date: July 1, 2013.

Summary of Net State Impact: The Professional Licensing Agency (PLA) would incur additional administrative expenditures. The Midwifery Board 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: *Establishes the Midwifery Board-* The seven-member Midwifery Board would be appointed by the Governor to oversee the certification of midwives. The MB would require an applicant to be certified by the North American Registry of Midwives (NARM). 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 and commissions. As an example only, an additional COMOT III to process licenses would require \$40,707 in expenditures during FY 2014. The amount includes salary, fringe benefits, and indirect costs associated with establishing the position. However, given the lower number of persons that are likely to seek a CDEM, it is likely the PLA would place the new certification within an existing license workgroup.

Interim Study: The bill also requires the Health Finance Commission to study issues during the 2013 interim concerning facilitating the availability of liability insurance for certified direct entry midwives licensed under the bill. This provision is expected to have no fiscal impact.

Background- As of September 2012, 138 nurse midwives were licensed to practice in Indiana. NARM identifies in their most recent available annual report that 12 individuals in Indiana maintain a Certified Professional Midwife (CPM) credential. There were 57 CPMs listed in the four states bordering Indiana.

Explanation of State Revenues: *Establishes the Midwifery Board-* The amount of revenue that would be generated by this proposal would depend on the number persons seeking a CDEM credential. (Presumably, the fees for the certification of direct entry midwives would be set at a level to cover certification expenses.) For example, if the certification fee were set at \$100, which is similar to fees for other health professions, 12 individuals seeking certification would raise approximately \$1,200 in the first year of implementation. A direct entry midwife license would expire after four years.

Penalty Provision: The bill adds a Class A misdemeanor for a first-time offense of practicing midwifery without a license. (Under current law, practicing midwifery without a license is a D felony, regardless.) The maximum fine for a Class A misdemeanor is \$5,000. Criminal fines are placed in the Common School Fund. However, any additional revenues would likely be small.

Explanation of Local Expenditures: *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: *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: Professional Licensing Agency, active license count: 9/19/2012; North American

Registry of Midwives, *2010 Annual Report*, released 9/2011.

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