

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

SENATE, No. 2843

STATE OF NEW JERSEY 215th LEGISLATURE

DATED: JANUARY 7, 2014

SUMMARY

Synopsis:	“Autumn Joy Stillbirth Research and Dignity Act”; requires DOH to establish protocols for stillbirths, establishes stillbirth research database.
Type of Impact:	A State expenditure increase, which may be offset by increased revenue from increased licensure and inspection fees.
Agencies Affected:	Department of Health (DOH); State Board of Medical Examiners; New Jersey Board of Nursing.

Office of Legislative Services Estimate

Fiscal Impact	<u>Years 1-3</u>
State Cost	Indeterminate – See comments below

- The Office of Legislative Services (OLS) finds that the bill would lead to an indeterminate increase in costs at the Department of Health (DOH) related to oversight and inspection of certain health care facilities, and related to collecting, storing, and evaluating data pertaining to stillborn children. The DOH may increase license and inspection fees to offset additional costs it incurs.
- The State Board of Medical Examiners and the New Jersey Board of Nursing may increase licensure actions and penalties against licensees, but this increased enforcement activity is expected to be minimal, and have no significant net effect on State costs and revenues.

BILL DESCRIPTION

Senate Bill No. 2843 (2R) of 2013, designated the “Autumn Joy Stillbirth Research and Dignity Act,” requires the establishment of policies and procedures for use by birthing and newborn care facilities, and physicians and nurses providing care therein, to ensure that families experiencing a stillbirth receive psychological and emotional support. The bill further requires that, when available, complete autopsy information related to stillbirths that occur in the State be

collected and reported to the DOH, and requires that a database be established to store this information for research purposes in order to advance the goal of preventing and reducing the incidence of stillbirths.

Specifically, the bill directs the Commissioner of Health, in consultation with the State Board of Medical Examiners, New Jersey Board of Nursing, State Board of Psychological Examiners, and State Board of Social Work Examiners, to develop policies to ensure that families experiencing a stillbirth receive psychological and emotional support, to which birthing and newborn care facilities, and the physicians and nurses providing care therein, would be required to adhere. In addition, the bill requires that the significance of autopsies be discussed with the family, and requires the establishment of protocols to incorporate best practices for a thorough evaluation of a stillborn child.

The bill further requires that the DOH establish a fetal death evaluation protocol, to which hospitals would be required to adhere, to ensure that comprehensive data are collected in a consistent manner and reported to the DOH. Within two years of the bill's effective date, the DOH is further required to establish a database to store information gathered pursuant to the fetal death evaluation protocol, which is to serve as a research resource. Data are to be made available generally for research, without disclosing the personal identities of any individual to which the data relate. In addition, the DOH is directed to evaluate the data, which it may do by contracting with a public institution of higher education in the State, a foundation, or other third party. The bill directs the Commissioner of Health to report to the Governor and the Legislature within five years of the effective date on the findings of the evaluation and to include any recommendations for legislative action that the commissioner deems appropriate.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that the bill would lead to an indeterminate increase in costs at the DOH related to the enforcement of the required policies and procedures for facilities that provide birthing and newborn care services. Specifically, the DOH may determine that it must inspect birthing and newborn care facilities, and audit their records, more often or more closely to ensure that the facilities are in compliance with the policies and procedures specified by the bill. If costs to oversee these facilities increase, the DOH may increase the various regulatory fees it charges to these facilities. Most of the facilities that would be affected by the bill are currently licensed as birth centers, and are subject to the following fees (in addition to fees for other services on each facility's license): \$1,750 for a license application; \$750 annually for a license renewal; \$200 for a required biennial inspection; and other fees for administrative changes, such as a change in ownership.

The State Board of Medical Examiners and the New Jersey Board of Nursing would not be specifically required to inspect or audit records, but may increase licensure actions and penalties against licensees who fail to follow the policies and procedures required by the bill when providing care at health care facilities that provide birthing and newborn care services. This increased enforcement activity is expected to be minimal, and have no significant net effect on State costs and revenues.

The OLS also finds that the DOH would incur costs to collect, store, and evaluate data relevant to stillbirth, which would lead to an indeterminate increase in costs. In order to collect data, the DOH must develop a fetal death evaluation protocol and ensure that hospitals adhere to the protocol and report data to the department. Any significant State costs related to data collection would likely be offset by regulatory fees charged to hospitals. Costs related to data storage are expected to be modest, as the quantity of data that the bill would require is not large. (It is estimated that approximately 700 stillbirths occur in New Jersey each year, based on a national prevalence rate of 1 in 160 births, and an estimated 110,000 births per year. For each stillborn child, the bill requires that the database store several pieces of numerical and textual information and, if the parents consent to a complete autopsy, several photographs of the stillborn child. The DOH may require additional data, as well, which may require a larger database.) If the DOH is able to update an existing database, costs may be less than if it must establish a new one. Finally, it is expected that the DOH would contract with a third party to conduct the evaluation of the stillbirth data, the cost of which would depend upon the scope of the analysis and the availability of federal or private resources to support the research. This evaluation, and its cost, would likely be delayed until several years' worth of data could be assembled, permitting a more robust analysis than would be possible with a smaller set of data.

Section: Human Services

*Analyst: David Drescher
Associate Fiscal Analyst*

*Approved: David J. Rosen
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).