

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7393**

**BILL NUMBER:** HB 1007

**NOTE PREPARED:** Feb 15, 2021

**BILL AMENDED:** Feb 1, 2021

**SUBJECT:** State Health Improvement and Grant Program.

**FIRST AUTHOR:** Rep. Vermilion

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:**  GENERAL  
 DEDICATED  
 FEDERAL

**IMPACT:** State

**Summary of Legislation:** *Improvement Plan:* The bill requires the Indiana State Department of Health (ISDH), in consultation with the Office of the Secretary of Family and Social Services (FSSA), to study and prepare a plan to improve the health and behavioral health of Indiana residents. It requires the plan to be submitted to the General Assembly.

*Performance Indicators:* It also requires that the ISDH establish and maintain on the ISDH's Internet web site a web page that indicates the performance and progress of the metrics and goals of the most significant areas identified in the plan.

*Program and Fund:* The bill establishes the Prevention and Addressing of Health Issues and Challenges Grant Program, and it establishes the Prevention and Addressing of Health Issues and Challenges Grant Program Fund. It requires the ISDH to administer the grant program.

*Requirements and Criteria:* It provides requirements for grant proposals. The bill also requires the ISDH to give preference in awarding the grants based on specified criteria.

*Management Performance Hub (MPH):* The bill requires the MPH to develop and publish on an Internet web site a web page that tracks Indiana's metrics on the most significant areas of health and behavioral health impacting Indiana residents and demonstrate any progress made in these metrics. It provides that the web page must include specific progress reported by organizations awarded a grant under the grant program.

**Effective Date:** July 1, 2021.

**Explanation of State Expenditures:** *Program and Fund:* The bill creates the Prevention and Addressing of Health Issues and Challenges Grant Program and Fund. This will impact workload for the ISDH to administer the grant program and fund. The fund will consist of appropriations from the General Assembly, funds from federal grants or programs, gifts, other state funds that are transferred to the fund, and interest income. The fund is nonreverting and continually appropriated for the purposes of the fund. Overall, ISDH reports the estimated indirect cost rate to administer a grant is approximately 11% of the grant amount, including shared services, but not direct costs of personnel, management consultants, and technology projects. The expenses of administering the program and the fund are paid through the fund. The bill makes no appropriation. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

*Additional Information* - The grants awarded and the administrative costs will depend on the source(s) of grant funding. In a similar program concerning maternal health, ISDH provided award recipients 60% of the award for two years of operations and the remaining 40% when the targeted outcomes were achieved. The awards distributed were \$2.4 M in FY 2019 and \$1.4 M in FY 2020, with additional expenses of \$418,000 and \$248,000 respectively.

Indiana's MPH is to prepare and make available information that may assist with the grant program. If the MPH does not have to collect data or perform analyses to fulfill this requirement, the MPH will incur minimal costs.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** ISDH; FSSA; MPH.

**Local Agencies Affected:**

**Information Sources:** Office of Technology Services, Legislative Services Agency; Auditor's Data, OFMA's analysis of Fund 30443.

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