152nd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 394**
SPONSOR:	**Representative Dorsey Walker**
DESCRIPTION:	**AN ACT TO AMEND TITLE 16 OF THE DELAWARE CODE RELATING TO HEALTH PLANNING AND RESOURCES MANAGEMENT.**

Assumptions:

1. This Act becomes effective upon signature of the Governor and is to be implemented six months after the date of enactment.

2. This Act renames the Delaware Health Resources Board to the Delaware Health Resources Advisory Board and moves the decision-making authority for Certificates of Need to the Department of Health and Social Services' Delaware Health Care Commission (DHCC).

3. The Executive Director of the DHCC will be responsible for coordinating with the Advisory Board to either approve or deny requested Certificates of Need. Additionally, staff will be responsible for preparing an analysis, including information on the proposed plan and a description of the plan. As such, DHCC anticipates the need for a 1.0 FTE, Regulatory Specialist position and a 1.0 FTE, Fiscal and Policy Analyst to perform tasks including promulgating rules and regulations, the development of forms, the reviews of applications, and the notifications to healthcare facilities.

4. This Act requires a biennial statewide healthcare facility utilization study to include utilization information to process certificate of need applications. The DHCC estimates an ongoing cost of $100,000 for contractual support to provide subject matter expertise in healthcare delivery and financing, market and financial feasibility analysis, and health planning and policy analysis.

5. Upon enactment, estimated costs for these positions will include the projected salary, including other employment costs (OECs) at a rate of 32.94%, and health insurance. The first year of personnel costs includes nine months of funding.
    a. Personnel Costs (annualized) of $201,210.
    b. One-time startup costs of $2,800 include computers and associated supplies.
    c. Ongoing administrative costs of $2,300 include network costs and supplies.

6. Personnel costs are assumed to increase at a rate of 2% annually.

Cost:

	Operating/Recurring	One-Time	Total Costs
Fiscal Year 2025:	$252,632	$2,800	$255,432
Fiscal Year 2026:	$307,534	$0	$307,534
Fiscal Year 2027:	$311,639	$0	$311,639

Prepared by Victoria Brennan
Office of the Controller General