House File 265 – Midwives, Licensure (LSB1036HV)
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Fiscal Note Version – New

Description
House File 265 requires a person practicing midwifery in Iowa to obtain a license to practice beginning July 1, 2024, with exclusions listed for certain classes. The Bill prohibits any person other than a licensed midwife from using the title “licensed midwife.” The Bill also creates the Board of Midwifery to regulate the practice of midwifery in Iowa and makes conforming changes.

House File 265 also limits the liability of a health care provider that accepts clients transferred from a licensed midwife. The Bill requires insurance providers to extend maternity benefits to cover maternity services provided by licensed midwives on the same terms as similar benefits provided by other health care providers.

Assumptions
- The University of Iowa reports there were 138 certified nurse-midwives employed in Iowa in 2018. The Bureau of Labor Statistics stated that there were 40 nurse-midwives in Iowa; the Bureau did not include data on nurse-midwives in 2022. The costs associated with establishing a new licensing board and the required fees to sustain the licensing board are calculated based on this number.
- The HHS will require start-up costs for the new licensing board including the following: staff time needed to establish the new licensing board; time for researching and developing administrative rules for licensure and discipline; and time for updating the licensing software application to establish the new board and all of the associated requirements for licensure.
- Absent an appropriation to assist with start-up costs, and based on the number of active certified nurse-midwives reported by the University of Iowa, the initial licensure fees required to cover the costs for FY 2024-2026 of establishing the board would be approximately $1,565 per license. The renewal fee to sustain the board’s ongoing activities for FY 2026-2028 would be approximately $888 per license.

Fiscal Impact
The Department of Health and Human Services (HHS) reports that initial start-up costs of establishing a new licensing board would require an estimated $216,000 and 0.4 full-time equivalent (FTE) position beginning in FY 2024. Ongoing costs are anticipated by the HHS to be $123,000 for every two-year licensing cycle.

Of the $216,000 in start-up costs, an estimated $93,500 will be dedicated to contracting with the HHS’s third-party information technology vendor to perform software and database upgrades to accommodate the new board. The 0.4 FTE position includes 0.2 FTE position assigned to a board executive and 0.2 FTE position assigned to legal counsel.

Table 1 shows the estimated revenue required by the HHS every two years for the program to cover the costs of the licensure board.
Table 1 — Board of Midwifery License Fees

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Cost</th>
<th>Estimated Number of Licensees</th>
<th>Cost Per License</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2024</td>
<td>$216,000</td>
<td>138</td>
<td>$1,565</td>
</tr>
<tr>
<td>FY 2026</td>
<td>$123,000</td>
<td>138</td>
<td>$888</td>
</tr>
</tbody>
</table>

Sources
Department of Health and Human Services
Board of Regents

/s/ Jennifer Acton
March 8, 2023

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The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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