



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

January 23, 2026

Honorable Kim Schofield
State Representative
608-C Coverdell Legislative Office Building
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
House Bill (LC 52 0881)

Dear Representative Schofield:

This bill would establish an Amputation Reduction and Peripheral Artery Disease (PAD) Prevention Program within the Department of Public Health (DPH). DPH would create an amputation registry to collect data on amputations resulting from PAD and implement a public awareness campaign on PAD risks. In consultation with the Department of Community Health (DCH), DPH would implement a grant program for certain health providers to increase early detection and diagnosis of PAD and to improve outcomes. DPH would also publish best practices for treatment on its website. DCH would license mobile clinics to perform PAD screening, wound assessment, and patient education in high priority counties and create financial incentives to providers that demonstrate a reduction in amputations. Finally, beginning January 1, 2027, health plans must cover the testing and screening related to PAD without cost-sharing requirements and must provide coverage for referrals specialists, subject to cost-sharing, resulting from that screening.

The bill would result in additional costs for DPH, DCH, and the University System of Georgia (USG). As shown in **Table 1**, these costs are estimated at \$8.8 million to \$31.2 million, with the variation due to two cost estimate methodologies for the health plan costs. Details of the estimate are below the table.

Table 1: Costs of LC 52 0881

	Method One	Method Two
Department of Public Health ¹	\$870,000	\$870,000
Department of Community Health		
- State Health Benefit Plan	\$6,614,400	\$26,037,300
- Licensing Program	\$261,500	\$261,500
University System of Georgia Health Plan	\$992,200	\$3,905,600
Office of the Commissioner of Insurance	<u>\$97,200</u>	<u>\$97,200</u>
Total	\$8,835,300	\$31,171,600

¹Includes \$115,000 in one-time costs

- **Department of Public Health** – DPH would incur costs related to operation of the PAD program, which includes creation of a registry and a public awareness campaign. The agency would also operate a grant program, if appropriations are provided. We were unable to estimate the amount that might be appropriate for a grant program.
 - *Staffing* – DPH would require three employees at a cost of \$414,000. The positions include a program manager, an epidemiologist to interpret data for program use, and a database administrator to maintain the amputation registry and coordinate data collected from other sources.
 - *Regular Operating* – Regular operating expenditures include \$200,000 for a public awareness campaign, as well as \$20,000 for travel and other expenses. All expenses are ongoing.
 - *Information Technology* – IT cost of \$35,656 in year one includes \$20,000 in one-time costs for the amputation registry (ongoing registry maintenance will be \$5,000 annually). Other costs include email, computer and IT fees, cell phone, and hotspot.
 - *Contracts* – The estimate includes \$200,000 for contracts for a program evaluation (\$75,000), acquiring data from the Centers for Medicare and Medicaid Services (\$50,000), acquiring data from the Georgia Health Information Network (\$50,000), and public awareness (\$25,000). The two data contracts would be one-time, only occurring in year one; therefore, the ongoing contract costs would be \$100,000
- **Department of Community Health** – DCH would incur costs related to the State Health Benefit Plan member coverage and licensing of mobile clinics that perform PAD screening, wound assessment, and patient education.
 - *State Health Benefit Plan* – The estimate of SHBP claim costs varies significantly based on the assumptions regarding utilization. Two methodologies consider a portion of SHBP members, limited to tobacco users and members with a diagnosis of diabetes¹, likely to utilize the tests made available by the bill.

The first method estimates costs of \$6.6 million annually assuming that 10% of the at-risk population (27,953 individuals) receives annual noninvasive evaluations of lower extremities, with more costly and comprehensive scans on a staggered biennial basis.

The second method estimates costs of \$26.0 million annually assuming that a larger population of members receive tests. The population includes 70% of tobacco users (111,690) and all members diagnosed with diabetes (83,984).
 - *Licensing Program* – Two compliance specialists would be required at a cost of \$261,500 (salary and benefits).
- **University System of Georgia** – The number of individuals covered by the USG Health Plan is approximately 15% of SHBP. Assuming a similar ratio, the cost estimate for the USG Health Plan would be \$1.0 million to \$3.9 million.
- **Office of the Commissioner of Insurance** – OCI estimated the need for a single employee at \$97,200 to provide required data to DPH.

Additional costs could be incurred for the Georgia Access Marketplace plans. Federal law requires that states defray the cost to marketplace plans of benefits not included in their essential health benefits benchmark plan. If the state does not update its benchmark plan to include the new

¹ The bill includes additional conditions in the definition of an 'at-risk individual'. DCH limited its analysis to certain conditions, noting that other conditions in the bill are typically secondary to diabetes or tobacco use.

benefits, it must pay for those benefits provided by marketplace plans. An actuarial study would be required to determine the defrayal costs.

Respectfully,

A handwritten signature in blue ink, appearing to read "Greg S. Griffin".

Greg S. Griffin
State Auditor

A handwritten signature in black ink, appearing to read "Richard Dunn".

Richard Dunn, Director
Office of Planning and Budget

GSG/RD/co