



DEPARTMENT OF AUDITS AND ACCOUNTS

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February 9, 2018

Honorable Jack Hill
Chairman, Senate Appropriations
234 State Capitol
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
Senate Bill 184 (LC 37 2344)

Dear Chairman Hill:

This bill would establish the Integrated Population Health Data (iPHD) Project within the Office of Planning and Budget (OPB). The iPHD project would create a centralized repository of health data to be used for research intended to improve the health outcomes for Georgia residents. The Georgia Health Policy Center will assist OPB in establishing an operational iPHD Project, and a ten-member board would govern the project. The bill requires the project to be operational by July 1, 2018; however, this fiscal note assumes that iPHD will not be operational by the deadline.

Cost of Operations

Project costs can vary significantly based on decisions¹ made by the iPHD governing board, making a reliable estimate difficult at this time. However, we identified the GA AWARDS system hosted by the Governor's Office of Student Achievement as a comparable project. GA AWARDS contains education and workforce data from several participating state agencies. Similarly, the iPHD project would obtain and link data from several state agencies that provide health services.

GA AWARDS had one-time costs of approximately \$10.7 million and annual operating costs of approximately \$1.9 million. One-time costs included \$5.7 million in contractor costs for tasks such as designing, developing, and testing the system, and \$4.0 million to state agencies to offset costs associated with providing data. Based on a FY 2015 assessment, most of the \$1.9 million in annual costs were for personnel and hardware hosting. A plan to expand the GA AWARDS system to host additional data was estimated at up to \$5.8 million in one-time costs and \$1.7 million in annual costs.

¹ Examples of factors that impact costs include the entity housing the data (OPB or health agency), whether the iPHD operator or healthcare agencies de-identify the data, and whether the datasets are linked to detect the same beneficiary across programs.

It should be noted that the state's healthcare agencies will also incur additional costs, but the amount will depend on the iPHD's design. Our review of four agencies estimates indicated a wide range of project expectations. Some anticipated utilizing only a limited amount of staff time to provide the data each week or month, while other agencies estimated annual costs of up to \$3 million.

Planning Costs

We estimate first-year costs related to project planning and support of the board to be approximately \$260,000. Much of the funding (\$217,000) would support two project management personnel who would work with the governing board and the state's healthcare agencies to identify the health data, technology, data warehousing, and other factors that should be a part of the iPHD Project. Other funds would support supplies, board member per diems, and telecommunications/computer charges.

Sincerely,



Greg S. Griffin
State Auditor



Teresa A. MacCartney, Director
Office of Planning and Budget

GSG/TAM/svp