

Department of Legislative Services  
 Maryland General Assembly  
 2000 Session

FISCAL NOTE  
 Revised

Senate Bill 555 (Senator Hollinger, *et al.*)  
 Finance and Economic and Environmental Affairs

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**Program for Hearing-Impaired Children - Hearing Aid Loaner Bank -  
 Establishment and Operation**

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This bill expands the current Program for Hearing-Impaired Infants to include the loaning of hearing aids through a Hearing Aid Loaner Bank. The bill requires the program's existing 11-member advisory council to advise the Department of Health and Mental Hygiene (DHMH) on the implementation of the loaner bank program. The State is required to appropriate sufficient funds to establish and maintain the program, as provided in the State budget.

The bill takes effect July 1, 2000.

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**Fiscal Summary**

**State Effect:** General fund expenditures would increase by \$874,600 in FY 2001. Future year expenditures reflect inflation and reduced equipment costs.

(in dollars)	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	874,600	741,800	754,600	767,800	781,400
Net Effect	(\$874,600)	(\$741,800)	(\$754,600)	(\$767,800)	(\$781,400)

**Local Effect:** None.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** The Hearing Aid Loan Bank will be made available to children who are: (1) under four years of age; (2) identified as having hearing loss or other impairment; (3) under the care of an audiologist and have been prescribed a hearing aid; and (4) without immediate access to a suitable hearing aid.

The Secretary of Health and Mental Hygiene must appoint a licensed audiologist as the program director who may employ staff as provided in the State budget. The bill requires DHMH to enter into a memorandum of understanding with the Maryland Department of Education, the Office of Individuals with Disabilities, and other appropriate State units to maximize communication and efficiencies among the offices and programs involved. The program director is to report to the Governor and the General Assembly by December 1 of each year on the status of the program including a summary of the progress of each component of the program.

**Current Law:** The existing Program for Hearing-Impaired Infants serves infants under one year of age by providing universal hearing screening, early identification and follow-up of hearing impairments, and the identification of risk factors to hearing impairment for infants. In an effort to enhance the early identification of infants who have actual or potential hearing impairments, Chapter 127 of 1999 expanded the existing advisory council from ten to 11 members and required the universal screening of newborns before discharge from any Maryland hospital. There are no provisions for the temporary loan of hearing aids to infants or children in the current program.

**State Fiscal Effect:** General fund expenditures will increase by approximately \$874,577 in fiscal 2001 to establish the Program for Hearing-Impaired Children and the Hearing Aid Loaner Bank. This estimate reflects the cost of 600 hearing aids and three positions (one speech pathologist, one program administrator, and one office secretary) to handle the requirements of the bill. The estimate includes salaries, fringe benefits, one-time start-up costs, ongoing operating expenses, and a 90-day start-up delay. The information and assumptions used in calculating the estimate are stated below.

- 300 children would each require two hearing aids for a total of 600 hearing aids; the average cost of a hearing aid is \$1,000;
- one audiologist/speech pathologist to select, maintain, purchase, and recondition the hearing aids needed; and
- one administrator and one office secretary to handle program administration and support.

Salaries and Fringe Benefits

\$104,004

Hearing Aids	600,000
Medical Supplies	128,160
Other Operating Expenses	<u>42,413</u>
<b>Total FY 2001 DHMH expenditures</b>	<b>\$874,577</b>

Future year expenditures reflect full salaries, inflation, 400 new hearing aids purchased annually, and 400 children served.

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**Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 658 (Delegate Hixson, *et al.*) - Environmental Matters.

**Information Source(s):** Department of Health and Mental Hygiene, Department of Education, Department of Legislative Services

**Fiscal Note History:** First Reader - March 2, 2000  
 cm/jr Revised - Updated Information - March 3, 2000  
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