SB 156

Department of Legislative Services

Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

Senate Bill 156 (Senator Nathan-Pulliam, *et al.*)
Education, Health, and Environmental Affairs

Department of Health and Mental Hygiene - Establishment of a Sickle Cell Disease Outreach Program

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This bill requires the Department of Health and Mental Hygiene (DHMH) to establish a sickle cell disease (SCD) outreach program by June 1, 2016. The program must have the goal of decreasing the use of acute care services by individuals with SCD and be coordinated through a community-based organization. The program must provide (1) educational programs regarding SCD to individuals affected by the disease; (2) social services to support individuals with SCD; and (3) any other programs or services necessary to decrease the use of acute care services by individuals who have SCD.

The bill takes effect June 1, 2015.

Fiscal Summary

State Effect: No impact in FY 2015; general fund expenditures increase by *at least* $25,200 in FY 2016 to establish the outreach program, as discussed below. Future years reflect annualization and inflation. To the extent the program decreases use of acute care services among Medicaid recipients, Medicaid expenditures may decline beginning in FY 2017. Revenues are not otherwise affected.

(in dollars)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FF Revenue	$0	-	-	-	-
GF Expenditure	$25,200	$145,900	$151,900	$158,100	$164,500
GF/FF Exp.	$0	-	-	-	-
Net Effect	($25,200)	($145,900)	($151,900)	($158,100)	($164,500)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: SCD is an inherited, red blood cell disorder. Healthy red blood cells are round and move through small blood vessels to carry oxygen to all parts of the body; in SCD, red blood cells become hard and sticky and look similar to C-shaped farm tools called "sickles." Sickle cells die early, which causes a constant shortage of red blood cells. Additionally, when traveling through small blood vessels, sickle cells may become stuck and clog blood flow, which can cause pain and other serious problems.

Chapter 435 of 2007 established the Statewide Steering Committee for Adults with Sickle Cell Disease to establish institutional and community partnerships and a statewide network of stakeholders who care for individuals with SCD. The steering committee is also charged with educating individuals with SCD, the public, and health care providers about options for care of SCD in Maryland. The steering committee must seek grant funding to (1) develop and establish a case management system for adults with SCD; (2) establish an adult SCD day infusion center; (3) develop, implement, and lead a State comprehensive education and treatment program for adults with SCD; and (4) develop and implement a health care provider awareness and education campaign to increase provider awareness of health care disparities, community dynamics, cultural practice, behavioral and psychosocial issues, and the use of standardized treatment and emergency room protocols. According to DHMH, the steering committee has not met in approximately three years.

The Office for Genetics and People with Special Health Care Needs in DHMH provides long-term follow-up for children up to age 18 identified with SCD through newborn screening in Maryland. Data collection, analysis, outreach, and education are limited to pediatric care for those born in Maryland. Federal Title V Maternal Child Health Block grant funds are used to provide some support for care coordination and transition to adult health care services at academic hematology centers.

According to DHMH, approximately 1,800 children and 3,500 adults in Maryland live with SCD. Five clinical centers serve the majority of Maryland residents with SCD. Three centers are located in Baltimore: The Johns Hopkins Hospital (which has a comprehensive hematology center and an infusion center for adults with pain crises); University of Maryland Medical Center; and Sinai Hospital. Two centers, Howard University Hospital and Children's National, are located in Washington, DC.

State Expenditures: General fund expenditures increase by at least $25,155 in fiscal 2016, which accounts for the bill's June 1, 2015 effective date and the requirement that the outreach program be established by June 1, 2016. This estimate reflects the cost of providing grants to community organizations to provide educational programs and to clinical centers to fund three full-time social workers to provide social services to support individuals with SCD. In fiscal 2017, general fund expenditures increase by $145,948 to reflect the full annual costs of such a program.

	Fiscal 2016	**Fiscal 2017**
One-time Start-up Costs	$12,855	$0
Contractual Salaries and Fringe Benefits	11,327	134,175
Educational Programs	833	10,000
Ongoing Operating Expenses	140	1,773
Total General Fund Expenditures	**$25,155**	**$145,948**

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

DHMH advises that, to implement a robust outreach program, annual general fund expenditures of approximately $849,726 are required. DHMH consulted with hematologists at SCD clinical centers to identify the services necessary to "decrease the use of acute care services by individuals who have SCD." Based on these discussions and similar federal grants provided for pediatric SCD services, DHMH recommends that grants be awarded to clinical centers and community organizations that include:

- $264,826 for five regional community health workers to provide educational programs;
- $230,000 for three full-time social workers (to be shared among the five clinical centers) for providing social services supports;
- $211,000 for two full-time nurse coordinators (to be shared among the five clinical centers) to provide case management and other services necessary to decrease the use of acute care services;
- $136,500 for three part-time (20%) specialty physicians to provide consultations to community providers regarding management of SCD to decrease the use of acute care services; and
- $7,400 for additional expenses such as certification to provide continuing education for health care providers, printing costs for educational materials, and entry fees for educational health fairs.

DHMH also advises that an additional infusion center (to be located in Prince George's County, supplementing the existing one in Baltimore City) would allow adult SCD patients to receive prompt treatment for pain management and could result in significantly fewer emergency room visits or hospitalization for this population. Such an infusion center further increase fiscal 2016 costs by $450,000, with annual costs of approximately $200,000.

To the extent the outreach program decreases the use of acute care services among Medicaid recipients with SCD, Medicaid expenditures decrease beginning in fiscal 2017. The exact amount of such savings depends on the number of individuals with SCD enrolled in Medicaid and the number of deferred acute care services such as emergency room visits and hospitalizations.

Additional Information

Prior Introductions: A similar bill, HB 1405 of 2014, was assigned to the House Rules Committee, but no further action was taken on the bill.

Cross File: HB 823 (Delegate Hill, *et al.*) – Health and Government Operations.

Information Source(s): U.S. Centers for Disease Control and Prevention, Department of Health and Mental Hygiene, Department of Legislative Services

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min/ljm

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