

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE

House Bill 222 (Delegate Morhaim, et al.)  
Environmental Matters

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State Board of Physician Quality Assurance - Identification of Physicians as Specialists

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This bill repeals a prohibition against physicians identifying themselves as specialists in specialized fields of medicine unless identified as such by the State Board of Physician Quality Assurance.

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Fiscal Summary

**State Effect:** General fund revenues could decrease by \$500 annually, State Scholarship Fund revenues by \$1,300 annually, and Board of Physician Quality Assurance Fund revenues by \$7,200 annually. Expenditures are not affected.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)
SF Revenues *	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)
SF Revenues **	(7,200)	(7,200)	(7,200)	(7,200)	(7,200)
Expenditures	0	0	0	0	0
Net Effect	(\$9,000)	(\$9,000)	(\$9,000)	(\$9,000)	\$9,000)

Note: ( ) - decrease; GF - general funds; FF - federal funds; SF - special funds  
\* State Scholarship Fund; \*\* Board of Physician Quality Assurance Fund

**Local Effect:** None.

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Fiscal Analysis

**Background:** The Board of Physician Quality Assurance (BPQA) currently charges \$20 per application. If the applicant is already identified as a specialist in that field by the American Board of Medical Specialties (ABMS), the BPQA retains the fee and provides the sole review of the application. However, if the applicant does not have ABMS standing, the

BPQA retains \$5 of the application fee as an administrative fee and sends the remaining \$15 to the Medical and Chirurgical Faculty of Maryland (Med-Chi) for review. The BPQA receives approximately 325 applications annually where the physician is ABMS certified, and another 500 applications for State review.

**State Revenues:** The BPQA collects approximately \$16,500 in fees annually from 825 specialist applicants paying \$20 each. Of that amount, \$7,500 is transmitted to Med-Chi, as described above. The remaining \$9,000 is distributed as follows: 6% to the general fund, 14% to the State Scholarship Administration, and 80% to the BPQA special fund. (The BPQA operates entirely on special funds.)

Accordingly, this bill would reduce the combined special fund and general fund revenues by approximately \$9,000 annually, as shown above. Of that amount \$6,500 represents lost income from applicants who are already ABMS certified, and \$2,500 represents lost income from the administrative fee drawn from applications transmitted to Med-Chi for review.

**State Expenditures:** No effect. Since eliminating this function represents such a small actual workload for the BPQA, there would be no measurable effect on State expenditures.

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**Information Source(s):** Department of Health and Mental Hygiene (Board of Physician Quality Assurance), Department of Fiscal Services

**Fiscal Note History:** First Reader - February 1, 1996  
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