

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 1372 (Delegate Conroy)
Environmental Matters

Medical Radiation and Magnetic Resonance Imaging Specialists

This bill creates a seven-member Board of Medical Radiation and Magnetic Resonance Imaging Specialists in the Department of Health and Mental Hygiene to certify and regulate the practice of: (1) magnetic resonance imaging (MRI) technology; (2) nuclear medical technology; (3) radiation therapy technology; and (4) radiologic technology.

The bill is effective July 1, 1996.

Fiscal Summary

State Effect: There is a net gain of \$108,100 in special fund revenues in FY 1997. The out-years reflect biennial certifications, growth, and attrition. General fund revenue losses reflect the 20% of current fee revenues directed to the general fund and the State Scholarship Administration. Special fund expenditures increase by a net of \$32,100 in FY 1997. Future year expenditures reflect annualization and inflation.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	(\$45,200)	(\$6,000)	(\$45,200)	(\$6,000)	(\$45,200)
SF Revenues	108,100	6,000	108,100	6,000	108,100
SF Expenditures	32,100	43,100	44,800	44,600	48,500
Net Effect	\$30,800	(\$43,100)	\$18,100	(\$44,600)	\$14,400

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

Local Effect: Potential minimal increase in revenues and expenditures due to the bill's penalty provision.

Fiscal Analysis

Bill Summary: A Medical Radiation and Magnetic Resonance Imaging Specialty Fund is established to cover the costs of the board. The board is authorized to set application and certification fees for practitioners. Certification renewals are prohibited from being issued for more than three years. Fee revenues are credited to the fund.

The bill provides for disciplinary procedures. In addition, violators of these provisions are guilty of a misdemeanor and subject to a fine not exceeding \$1,000 and/or imprisonment not exceeding one year.

The bill repeals provisions relating to the authority of the Board of Physician Quality Assurance (BPQA) to regulate medical radiation technologists and nuclear medical technologists. Individuals certified to practice these technologies as of June 30, 1996 are deemed certified by the new board under the provisions of this bill.

The board will sunset after July 1, 2010. An evaluation of the board is required to be made by July 1, 2009.

State Revenues: The BPQA assumes that certifications for these practitioners would be issued on a biennial basis. There are 3,700 currently certified individuals under the auspices of the BPQA. It is estimated that each year will produce an additional 400 new applications, including occupations not currently regulated by the BPQA. It is also estimated that this new board would set initial application fees at \$75 and biennial renewal fees at \$70.

Special fund revenues could increase by an estimated net of \$108,100 in fiscal 1997, assuming a loss of \$180,900 from the BPQA and a gain in revenues for the Board of Medical Radiation and Magnetic Resonance Imaging Specialists of \$289,000. The same net result occurs in fiscal 1999 and 2001. In fiscal 1998 and 2000, special fund revenues could increase by an estimated net of \$6,000, assuming a loss of \$24,000 from the BPQA and a gain in revenues for the new board of \$30,000.

The \$289,000 revenue increase for the new board in fiscal 1997, 1999, and 2001 includes an increase of: (1) \$259,000 from 3,700 certification renewals at \$70 each; and (2) \$30,000 from 400 applications at \$75 each. In fiscal 1998 and 2000, revenues to the new board reflect only 400 new applications. An equal number of losses due to attrition are anticipated for the even numbered fiscal years when renewal fees are due, so that the total number of practitioners will remain constant over the biennial renewal period.

Since 20% of fee revenues from the BPQA are directed to the general fund (6%) and the State Scholarship Administration (14%), the creation of this new board would decrease these

revenues in fiscal 1997 by a total of \$45,200. Future years reflect general fund and State Scholarship Administration losses stemming from biennial certifications and new applications.

General fund revenues could increase under the bill's monetary penalty provision for those cases heard in the District Court, depending upon the number of convictions and fines imposed.

State Expenditures: Special fund expenditures by the new board could increase by an estimated \$80,338 in fiscal 1997, which reflects a 90-day start-up delay. This estimate reflects the cost of hiring a part-time Administrator and Office Secretary for the new board. It includes salaries of \$21,008, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$32,079	Contractual Services
27,563		
Other Operating Expenses	<u>20,696</u>	
Board FY 1997 Expenditures	\$80,338	

The BPQA advises that the positions currently assigned to the duties moving over to the new board would be reassigned within BPQA operations. However, special fund expenditures for the BPQA should decrease by an amount corresponding to the increase in operating expenses for the new board (\$48,259 in fiscal 1997). Accordingly, special fund expenditures would increase by a net of \$32,100 in fiscal 1997.

Future year expenditures reflect (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 2% annual increases in ongoing operating expenses.

General fund expenditures could also increase as a result of the bill's incarceration penalty due to increased payments to counties for reimbursement of inmate costs, depending upon the number of convictions and sentences imposed.

Persons serving a sentence of one year or less are sentenced to a local detention facility. The State reimburses counties for part of the per diem rate after a person has served 90 days. State per diem reimbursements are estimated to range from \$10 to \$48 per inmate, depending upon the jurisdiction. Persons sentenced in Baltimore City are incarcerated in the Baltimore City Detention Center (BCDC), a State operated facility. The per diem cost for fiscal 1997 is estimated at \$43 per inmate.

Local Revenues: Revenues could increase under the bill's monetary penalty provision for those cases heard in the circuit courts, depending upon the number of convictions and fines imposed.

Local Expenditures: Expenditures could increase as a result of the bill's incarceration penalty depending upon the number of convictions and sentences imposed. Counties pay the full cost of incarceration for the first 90 days of the sentence, plus part of the per diem cost after 90 days. Per diem operating costs of local detention facilities are expected to range from \$19 to \$96 per inmate in fiscal 1997.

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

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