

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 391 (Delegate Kellv. *et al.*)

Environmental Matters

Patients' Medical Record Privacy Act

This bill prohibits the Health Care Access and Cost Commission (HCACC) from collecting specified patient data for its medical care data base unless the patient (or a person authorized to consent to the patient's medical care) is notified at the initial patient encounter and provides consent. The consent does not constitute a waiver of any privilege that would otherwise apply to the data and failure of the patient to consent may not be a basis for refusal of treatment by a health care practitioner or denial of payment by a payor. HCACC is required to adopt regulations governing the notice of medical data collection and consent. The regulations must provide for: (1) a standard notice and consent form; (2) the right of a patient to revoke consent at any time if the revocation is made in writing; and (3) the security of the consent forms at the same time and in the same manner as the security of consent forms for medical treatment and insurance payments.

The bill further specifies that the demographic characteristics of the patient are to exclude the patient's month and day of birth, Social Security number, and last two digits of a patient's U.S. postal service zip code.

Fiscal Summary

State Effect: Special fund expenditures would increase by \$3,000 in FY 1999 only. Revenues would not be affected.

Local Effect: None.

Small Business Effect: Potential minimal.

Fiscal Analysis

Background: The Health Care Access and Cost Commission is required by statute (Health Care and Insurance Reform Act of 1993) to establish a medical care data base for non-hospital health services.

State Expenditures: Special fund expenditures for HCACC would increase by \$3,000 in fiscal 1999. This is a one-time cost for designing the consent form. This estimate assumes that physicians would be responsible for printing and distributing the consent forms. In addition, it assumes that carriers would be responsible for securing the consent forms since they are currently responsible for securing the medical data collected.

Small Business Effect: Administrative costs for small business physician groups/practices would increase by an indeterminate minimal amount if they are required to absorb the cost of printing and distributing the consent forms.

Information Source(s): Department of Health and Mental Hygiene (Health Care Access and Cost Commission); Department of Legislative Services

Fiscal Note History: First Reader - March 4, 1998

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