

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

House Bill 272 (Chairman, Environmental Matters Committee and  
Economic Matters Committee)  
(Departmental - Health and Mental Hygiene)

Environmental Matters and Economic Matters

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**Maryland Health Care Access and Cost Commission - Modifications and  
Clarifications**

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This departmental bill repeals the authority of the Maryland Health Care Access and Cost Commission (HCACC) to develop a payment system for health care services and eliminates the requirement to implement a uniform payment system for all health care practitioners in the State by January 1, 1999. The bill authorizes HCACC to inform consumers about practitioner charges and reimbursements from payors, including information on capitated health care services. In addition, the bill requires payors to use rebundling edits and to make the standards available to the public on request.

This bill takes effect July 1, 1998.

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**Fiscal Summary**

**State Effect:** The FY 1999 HCACC budget allowance includes \$100,000 to provide consumer information regarding practitioner payments as required by this bill. Since the allowance does not include funds to implement the uniform payment system, special fund expenditures for HCACC would not be affected. Revenues would not be affected.

**Local Effect:** None.

**Small Business Effect:** The Department of Health and Mental Hygiene has determined that this bill has minimal or no impact on small businesses (attached). Legislative Services concurs with this assessment.

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## Fiscal Analysis

**State Expenditures:** The fiscal 1999 HCACC budget allowance includes \$100,000 to (1) provide consumers information about practitioner charges and reimbursements from payors, including information on capitated health care services; and (2) study the applicability of a payment system for non-physician providers and the impact of Federal changes made to RBRVs. The allowance does not include funds to develop and implement a uniform payment system. In fiscal 1997 and 1998, HCACC received an appropriation of \$400,000 and \$275,000, respectively, to develop and implement the uniform payment system. The funds were not spent because HCACC did not go forth with the development. Since current law requires HCACC to implement the payment system by January 1, 1999, projected expenditures for development and implementation is expected to be less than \$175,000 if the bill fails.

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

**Fiscal Note History:** First Reader - February 2, 1998

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