

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 504 (Senator Derr)

Finance

Home-Based Hospice Care - Deregulation

This bill exempts home-based hospice care from certificate of need (CON) requirements.

Fiscal Summary

State Effect: Potential long-term expenditure increase if the bill results in substantially more home-based hospice care providers. Revenues would not be affected.

Local Effect: None.

Small Business Effect: Potential meaningful.

Fiscal Analysis

State Effect: Although the Health Resources Planning Commission's costs could decrease by a minimal amount due to the CON exemption, it is assumed that staff resources will be reassigned to other functions. In the long-term, Department of Health and Mental Hygiene (DHMH) expenditures could potentially increase to the extent that elimination of CON requirements for home-based hospice care service increases the number of home-based hospice care providers. This could result in an increase in the number of DHMH inspections.

Small Business Effect: Hospice providers that offer home-based services could be favorably affected by the bill's provisions regarding CON exemption. Most of the existing hospice programs offer home-based services. However, existing hospice providers that do not provide home-based services could be adversely affected by increased competition from home-based hospice service providers. There are approximately 40 to 45 hospices in Maryland, of which about one-third are small businesses.

Information Source(s): Department of Health and Mental Hygiene (Health Resources

Planning Commission, Licensing and Certification Administration, Health Care Access and Cost Commission); Department of Legislative Services

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