

Department of Legislative Services
 Maryland General Assembly

FISCAL NOTE

House Bill 648 (Delegate Heller)

Environmental Matters

Public Dissemination of Physician Profiles

This bill requires the Board of Physician Quality Assurance (BPQA) to compile an individual profile of each licensee and disseminate the profile to any person who requests it. The licensee may review the profile and correct factual inaccuracies. The board must categorize the significance of paid medical malpractice claims against a licensee and identify the context of the claims.

The board may not disseminate the physician profile by electronic media before October 1, 1999. The board must conduct a study of the impact of publicizing physician profiles by electronic media on the personal safety of physicians and their families; and report their findings and recommendations to the Senate Economic and Environmental Affairs Committee and the House Environmental Matters Committee by January 1, 1999.

Fiscal Summary

State Effect: Special fund revenues from BPQA fees would increase by \$484,000 beginning in FY 1999, of which \$387,200 would be distributed to the BPQA Fund, \$67,800 to the State Scholarship Administration (SSA), and \$29,000 to the general fund. Special fund expenditures for BPQA could increase by \$806,000 in FY 1999. Future year expenditures reflect annualization and inflation.

(in dollars)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
GF Revenues	\$29,000	\$29,000	\$29,000	\$29,000	\$29,000
SSA SF Revenues	67,800	67,800	67,800	67,800	67,800
BPQA SF Revenues	387,200	387,200	387,200	387,200	387,200
BPQA SF Expend.	806,000	281,000	287,500	292,500	297,700
Net Effect	(\$322,000)	\$203,000	\$196,500	\$191,500	\$186,300

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

Local Effect: None.

Small Business Effect: Potential meaningful.

Fiscal Analysis

Bill Summary: The physician profile would include information on: (1) any criminal conviction or disciplinary action, revocation or restriction of medical privileges, or malpractice court judgement or arbitration award, within the previous 10 years; (2) resignation or non-renewal of medical membership; (3) medical schools attended, certification received, number of years practicing as a physician, and hospitals that the physician has privileges with; (4) medical school appointments, publications, community activities; and (5) the location of the primary practice of the licensee and whether there are translation services at the practice setting.

State Effect: In order to comply with the requirements of the bill, the Board of Physician Quality Assurance would have to implement significant changes to their existing computer system. The system would have to accommodate a format for collecting and disseminating the data required by the bill on the 22,000 physicians licensed by the board.

As a result, special fund expenditures could increase by an estimated \$806,028 in fiscal 1999, which reflects the bill's October 1, 1998 effective date. This estimate accounts for the cost of hiring two Compliance Analysts who would be responsible for verifying new information received on physicians and updating the database. It includes salaries, fringe benefits, and ongoing operating expenses. The estimate also includes a one-time start-up cost of purchasing equipment for a Public Access Server, and the cost of programming and developing a database of physician profiles.

Contractual Services	\$629,665
Operating Expenses	116,154
Salaries and Fringe Benefits	<u>60,209</u>
Total FY 1999 State Expenditures	\$806,028

Future year expenditures reflect (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses. It is anticipated that fees would increase by \$44 for each licensee as a result of this bill because revenues from fees should approximate the cost of maintaining the board.

License/renewal fees are paid biennially by each licensee. Half of the licensees are subject to renewal in any given year and the remainder in any succeeding year. Consequently, total fees collected would be \$484,000 each year, of which \$387,200 (80%) would be distributed to the Board of Physician Quality Assurance Fund, \$67,760 (14%) would be distributed to the State Scholarship Administration, and \$29,040 (6%) would be distributed to the general fund.

Any increase in workload or expenditures for the Judiciary is expected to be minimal and absorbable within existing budgeted resources.

Small Business Effect: If consumers have access to additional information about physicians, it may impact their choice of physicians for obtaining health care services. Physicians who, within the previous 10 years, have a criminal conviction or who were subject to a disciplinary action, a revocation or restriction of medical privileges, or a malpractice court judgement or arbitration award may experience a loss of patients or find it more difficult to attract new patients.

Information Source(s): Department of Health and Mental Hygiene (Board of Physician Quality Assurance), Office of Administrative Hearings, Judiciary, Department of Legislative Services

Fiscal Note History: First Reader - March 2, 1998

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