

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 459 (Delegate Menes. *et al.*)

Environmental Matters

Local HIV Prevention Initiative

This bill authorizes a county to establish an AIDS Prevention Sterile Needle Exchange Program. Baltimore City is exempt from the bill's provisions. The bill mandates program components, including a one-for-one exchange of used needles for sterile needles, referrals to drug counseling and treatment, and outreach education on the dangers of contracting the HIV infection. A county must appoint an advisory committee to provide advice to the county health officer and the program director. The county health officer is to appoint the program director and is required to develop operating procedures for program evaluation.

Fiscal Summary

State Effect: None. The bill's requirements do not directly affect governmental operations or funding. However, State expenditures could be reduced in the long-term.

Local Effect: Potential significant expenditure increase for counties choosing to establish a program. Revenues would not be affected.

Small Business Effect: Minimal.

Fiscal Analysis

State Expenditures: The only direct State involvement would be representation on advisory committees established by counties, which can be handled with existing budgeted resources. In the long-term, State expenditures could be reduced by an indeterminate amount due to a reduction in health care costs associated with the prevention of the spread of HIV infection. The average lifetime health care costs of an AIDS patient is \$100,000 to \$120,000. The 1997 program evaluation report of the Baltimore City needle exchange program indicates that although approximately 4% of injection drug users become infected with HIV

each year, the infection rate for program clients was almost 40% less than that for injection drug users not in the program. In addition, 300 Baltimore clients have entered drug counseling and treatment. After the first two and a half years of program operation, 5,200 clients had made 48,000 visits to exchange over 800,000 needles.

Local Expenditures: The program currently conducted by Baltimore City costs \$320,000 annually, exclusive of \$250,000 for associated drug treatment slots. Baltimore City uses State Targeted Local Health Services funds to pay for the drug treatment costs. Expenditures for a county choosing to establish a program could increase by an estimated \$80,000 to \$400,000, depending on the size of the program, number of sites, staffing, services offered (such as additional drug treatment slots), and availability of existing funds to cover needle exchange program costs.

Information Source(s): Department of Health and Mental Hygiene (AIDS Administration, Community and Public Health Administration); Prince George's, Charles, Montgomery, and Baltimore counties

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