

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 1019 (Delegate Goldwater, *et al.*)

Environmental Matters

Nurse Psychotherapists - Authority to Prescribe Medications

This bill authorizes a licensed nurse psychotherapist to enter into a written agreement with a physician to prescribe medication if: (1) the nurse psychotherapist meets specified educational requirements; (2) the nurse psychotherapist is registered with the United States Drug Enforcement Administration as an authorized prescriber; and (3) the written agreement, which must include specified information, is approved by the State Board of Nursing (board). The board may not approve a written agreement unless the Board of Physician Quality Assurance (BPQA) reviews and approves the role of the physician as established in the written agreement. If a written agreement is terminated, the nurse psychotherapist must immediately advise the board and obtain the board’s approval for a new or amended written agreement. The board and BPQA must establish a joint committee to make recommendations concerning the written agreements. The board and BPQA must adopt regulations and develop a formulary of Schedule II, III, IV, and V medications or classes of medications that a nurse psychotherapist may prescribe.

Fiscal Summary

State Effect: Special fund expenditures for the board could increase by \$25,300 in FY 1999. Future year expenditures reflect annualization and inflation. No effect on revenues.

(in dollars)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
SF Revenues	0	0	0	0	0
SF Expenditures	\$25,300	\$27,800	\$28,800	\$29,800	\$30,800
Net Effect	(\$25,300)	(\$27,800)	(\$28,800)	(\$29,800)	(\$30,800)

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

Local Effect: None.

Small Business Effect: Minimal.

Fiscal Analysis

State Effect: The board does not intend to assess a fee for the agreements. The board has sufficient surplus funds to cover the operational cost of processing the agreements.

Currently, the board licenses 421 nurse psychotherapists. It is anticipated that most of these nurses would enter into an agreement with a physician to prescribe medication. Consequently, special fund expenditures could increase by an estimated \$25,305 in fiscal 1999, which accounts for the bill's October 1, 1998 effective date. This estimate reflects the cost of hiring one Office Clerk to process the agreements. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses. The estimate assumes that an agreement would be amended often to reflect changes in the nurses' responsibilities relating to the agreement, and other changes. This assumption is based on the board's experience in processing agreements for advanced practice nurses.

Salaries and Fringe Benefits	\$19,117
Operating Expenses	<u>6,188</u>
Total FY 1999 State Expenditures	\$25,305

Future year expenditures reflect (1) full salary with 3.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Any increase in workload for BPQA could be handled with existing budgeted resources.

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

Fiscal Note History: First Reader - February 25, 1998

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