

**Department of Legislative Services**  
Maryland General Assembly  
1999 Session

**FISCAL NOTE**  
**Revised**

House Bill 674 (Delegate Redmer. *et al.*)

Environmental Matters

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**Patient Prescription Access - Limited Physician Delegation to Physician Assistants**

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This bill allows physicians to delegate prescriptive authority to physician assistants under an approved delegation agreement that must be submitted to the State Board of Physician Quality Assurance. The bill also repeals current law that requires a physician assistant to file a job description with the board outlining the physician assistant's delegated medical acts. The bill instead requires a physician assistant to file an approved delegation agreement with the board in order to perform delegated medical acts, including prescriptive authority. The medical acts to be delegated must be within the scope of practice of the supervising physician and appropriate to the physician assistant's education, training, and level of competence. If the delegation agreement includes prescriptive authority, the physician assistant must meet certain educational requirements and provide documentation to the board. The bill also limits the circumstances in which a physician assistant may write medication orders for or prescribe controlled dangerous substances. The board must provide the State Board of Pharmacy with a list of physician assistants who have been delegated prescriptive authority, and must include information relating to the implementation of delegation authority in its annual report. In addition, the board must set its delegation agreement application fee to approximate the cost of reviewing and approving the agreements and any other related services provided.

The board must also require, as part of a physician assistant's continuing education, a course on the special care needs of the terminally ill and their families.

The bill is effective June 1, 1999.

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## Fiscal Summary

**State Effect:** One-time special fund expenditure increase of \$16,900 in FY 2000. Special fund revenues would increase by \$101,500 in FY 2000. General fund revenues would increase by \$6,500 in FY 2000. Future year revenues reflect 100 applications annually.

(in dollars)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
GF Revenues	\$6,500	\$600	\$600	\$600	\$600
SF Revenues	101,500	9,400	9,400	9,400	9,400
GF Expenditures	0	0	0	0	0
SF Expenditures	16,900	0	0	0	0
Net Effect	\$91,100	\$10,000	\$10,000	\$10,000	\$10,000

*Note: ( ) = decrease; GF = general funds; FF = federal funds; SF = special funds; - =indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** Minimal. Physicians may delegate various medical acts to physician assistants and make health care delivery more efficient.

## Fiscal Analysis

**Background:** Current law requires a physician assistant to file a job description with the Board of Physician Quality Assurance (BPQA) outlining all delegated medical acts the physician assistant is allowed to perform. Physician assistants may currently write medication orders, but do not have prescriptive authority. BPQA currently charges \$100 for each job description and receives approximately 50 applications annually.

**State Revenues:** The board expects to charge a \$100 application fee for each delegation agreement, which would result in \$108,000 in revenues for fiscal 2000. Future year revenues reflect fees for 100 delegation agreements annually. Current law requires that application revenues be distributed: (1) 80% to the board's fund (\$86,400); (2) 14% to the State Scholarship Administration (\$15,100); and (3) 6% to the general fund (\$6,500).

**State Expenditures:** Special fund expenditures could increase by an estimated \$16,900 in fiscal 2000, which accounts for the bill's June 1, 1999 effective date. This estimate reflects the cost of hiring one contractual office clerk for six months to process an estimated 1,080 delegation agreements. It includes a salary, one-time start-up costs, and ongoing operating expenses.

Salary	\$11,600
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Operating Expenses	<u>5,300</u>
<b>Total FY 2000 State Expenditures</b>	<b>\$16,900</b>

According to BPQA's 1998 annual report, there are currently 1,080 certified physician assistants in Maryland. These physician assistants have current job descriptions on file with BPQA, but will be required to submit applications for delegation agreements instead. After receipt of the initial 1,080 delegation agreements, the board expects to receive approximately 100 delegation agreements annually, which can be handled with existing board resources.

According to BPQA, a \$100 delegation agreement application fee is necessary to support ongoing BPQA functions related to processing physician assistant delegation agreements, including providing information and directions on the application process, staffing the Physician Assistant Advisory Council's monthly meetings, and reimbursing council members for their expenses. BPQA currently has three staff positions that handle these ongoing duties. BPQA currently charges a \$100 application fee for physician assistant job descriptions. After BPQA has processed the initial delegation agreement applications, BPQA functions related to physician assistant oversight will not materially change as a result of the bill's requirements.

**Information Source(s):** Department of Health and Mental Hygiene (Board of Physician Quality Assurance, Medicaid, Board of Pharmacy), Department of Legislative Services

**Fiscal Note History:** First Reader - March 12, 1999  
 mld/jr Revised - House Third Reader - April 6, 1999  
 Revised - Enrolled Bill - May 3, 1999

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