

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 717 (Delegate Redmer)

Environmental Matters

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 and revenue increase if the bill results in substantially more home-based hospice care providers.

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 and revenues 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 license fee collections and 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 (35 of 38) of the existing hospice programs offer home-based services. However, the 3 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 38 hospices in Maryland,

of which about one-third are small businesses.

Information Source(s): Department of Health and Mental Hygiene (Health Resources Planning Commission, Medical Care Programs Administration, Community and Public Health Administration), Department of Legislative Services

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