

**Department of Legislative Services**  
 Maryland General Assembly  
 2000 Session

**FISCAL NOTE**

Senate Bill 495 (Senator Hoffman)

Finance

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**Child Abuse and Neglect Diagnosis and Treatment Act of 2000**

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This bill requires expanded treatment for abused and neglected children by various health care providers and allows for the use of telemedicine in emergency treatment. The bill allows providers to bill insurance carriers directly and expands the list of providers requiring reimbursement. Treatment charges not reimbursed through the health benefits available to the child must be paid by the Department of Health and Mental Hygiene (DHMH) upon receipt of appropriately-coded statements.

The bill requires the Governor to include funds in the annual State budget for payment of emergency treatment for children whose parents or guardians have not provided reimbursement. An expert panel on child abuse and neglect is to be convened by the Secretary to assist in the review of, and annual training in, current procedural terminology (CPT) codes, billing protocols, statistical data capture, and relevant data preservation. An annual report on child abuse and neglect diagnosis and treatment data collection must be submitted to the Governor and the General Assembly by December 1 of each year beginning in 2001.

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**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$3.8 million in FY 2001. Future year expenditures increase with annualization and inflation.

(in millions)	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	3.80	5.10	5.16	5.22	5.27
Net Effect	(3.80)	(\$5.10)	(\$5.16)	(\$5.22)	(\$5.27)

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

**Local Effect:** None.

**Small Business Effect:** Minimal.

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## **Analysis**

**Bill Summary:** This bill requires expanded treatment for abused and neglected children to include those with injuries and severe emotional distress. It allows treatment or “expert child abuse or neglect care” to be provided by a multidisciplinary team, a child advocacy center, or a health care facility, and allows for the use of telemedicine in emergency treatment.

The bill allows providers, using the appropriate codes, to directly bill a child’s managed health care organization (MCO) or insurance coverage as a dependent of an insured caretaker and adds the Maryland Children’s Health Program (CHIPS) to the insurance coverage and assistance programs listed. MCOs are required to reimburse physicians, health care facilities, a multidisciplinary team or team member, child advocacy centers providing emergency medical treatment, or expert child abuse and neglect care. Benefits which have not been reimbursed through the health benefits available to the child must be paid by DHMH upon receipt of bills coded for emergency treatment and expert child abuse or neglect care.

The bill requires the Governor to include funds in the annual State budget for payment of emergency treatment for children whose parents or guardians have not provided reimbursement.

The Secretary of DHMH must appoint and annually convene an expert panel on child abuse and neglect to assist in the review of current procedural terminology (CPT) codes, billing protocols, statistical data capture, and relevant data preservation. An annual seminar is to be held with representatives of every emergency room, child advocacy center, and other facilities providing expert child abuse or neglect care for training on CPT codes and billing protocol. The Secretary must report to the Governor and the General Assembly on the data collected on child abuse and neglect diagnosis and treatment on or before December 1, 2001, and annually thereafter.

Nothing in this bill is to be construed to interfere with provisions of the child sexual abuse law.

**Current Law:** Physicians and health care institutions are listed as health care providers for urgent illness in reference to child abuse or neglect treatment. In accordance with DHMH regulations, the department must pay emergency medical treatment charges on behalf of a child examined or treated for abuse or neglect, but parents are liable to DHMH for those

payments and must take all steps necessary to secure health benefits. To the extent possible, the Governor is required to include funds in the annual State budget to pay for children examined or treated for child abuse or neglect. Telemedicine, “expert child abuse or neglect care,” and specific provider reimbursements by MCOs are not addressed.

**State Fiscal Effect:** General fund expenditures could increase by \$3.8 million in fiscal 2001 for non-medical assistance claims to be paid by DHMH and increased staff needed for the expanded number and types of providers who could bill DHMH under the Child Abuse and Neglect Program. This estimate includes costs for contractual services based on an average payment of \$1,100 per child, for an estimated 4,441 claims which are not expected to be covered by Medicaid or CHIPS and have not been reimbursed through any other health benefits available to the child.

The estimate accounts for the bill’s October 1, 2000, effective date and includes the cost of four new positions (two office clerks to process claims for payment, one community health educator to staff the panel and to produce the annual report to the Governor, and one nurse program administrator to oversee the program and to review claims for appropriateness). It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$117,592
Claims	3,663,825
One-time Start-up Costs	18,350
Ongoing Operating Expenses	<u>5,280</u>
<b>Total FY 2001 State Expenditures</b>	<b>\$ 3,805,047</b>

Future year expenditures reflect: (1) full salaries with 4.5% annual increase and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 901 (Delegate Kopp, *et al.*) - Economic Matters.

**Information Source(s):** Department of Health and Mental Hygiene (Community and Public Health ), Maryland Health Care Commission, Maryland Insurance Administration, Department of Legislative Services

**Fiscal Note History:** First Reader - March 6, 2000

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