

Department of Legislative Services
 Maryland General Assembly
 2000 Session

FISCAL NOTE

House Bill 588 (Delegate Sher. *et al.*)

Environmental Matters

Medical Assistance Program - Pregnant Women

This bill requires the Department of Health and Mental Hygiene (DHMH) to provide, through the Children’s Health Program (CHIP), comprehensive medical and other health care services for all eligible pregnant women whose family income is at or below 300% of the federal poverty level.

Fiscal Summary

State Effect: \$5.6 million expenditure increase (50% federal funds, 50% general funds) for CHIP. Revenues would not be affected.

| (in millions) | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 |
|------------------|---------|---------|---------|---------|---------|
| GF Revenues | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| GF Expenditures | \$2.8 | \$4.0 | \$4.2 | \$4.5 | \$4.7 |
| FF Expenditures* | \$2.8 | \$4.0 | \$4.2 | \$4.5 | \$4.7 |
| Net Effect | \$5.6 | \$8.0 | \$8.4 | \$8.9 | \$9.5 |

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

**Federal fund expenditures are reimbursable by the federal government.*

Numbers may not total due to rounding

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Medical assistance coverage must be provided to all eligible pregnant women whose family income is at or below 200% of the federal poverty level. Pregnant women whose family income is 185% - 200% of the federal poverty level (FPL) are eligible for medical assistance under the CHIP program. Pregnant women whose family income is below 185% of FPL are eligible for Medicaid. This bill expands CHIP coverage to include eligible pregnant women with income at or below 300% of the federal poverty level.

State Expenditures: CHIP expenditures will increase by an estimated \$5,625,000 (50% federal funds and 50% general funds) for fiscal 2001, which reflects the bill's October 1, 2000, effective date. Future year expenditures reflect annualization and 6% health care inflation. This estimate is based upon the following facts and assumptions:

- approximately 250 pregnant women per year are enrolled in the CHIP expansion group (185% - 200% FPL incomes);
- 1,250 (5 x 250) pregnant women are assumed to participate if 200% - 300% FPL income guidelines were adopted; and
- the average cost per woman is assumed to be \$6,000.

Additional Comments:

| 2000 Federal Poverty Level Income Guidelines* | | | |
|---|----------|----------|----------|
| Size of Family | 100% FPL | 200% FPL | 300% FPL |
| 1 | \$8,350 | \$16,700 | \$25,050 |
| 2 | \$11,250 | \$22,500 | \$33,750 |
| 3 | \$14,150 | \$28,300 | \$42,450 |
| 4 | \$17,050 | \$34,100 | \$51,150 |

**Federal Register*, Vol. 65, No. 31, February 15, 2000, pp. 7555-7557.

Additional Information

Prior Introductions: None.

Cross File: SB 752 (Senator Kelley, *et al.*) - Finance.

Information Source(s): Department of Health and Mental Hygiene (Medicaid), Department of Legislative Services

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