

Department of Legislative Services
 Maryland General Assembly
 2000 Session

FISCAL NOTE

House Bill 1318 (Delegate C. Davis)

Environmental Matters

Department of Health and Mental Hygiene - Osteoporosis Prevention and Education Program

This bill requires the Department of Health and Mental Hygiene (DHMH) to establish an Osteoporosis Prevention and Education Program to promote awareness of osteoporosis causes, treatment, and prevention among the public and health care providers. It establishes a 17-member Osteoporosis Advisory Council in DHMH to make recommendations concerning implementation of the program and requires DHMH to staff the council. The bill requires DHMH to: (1) conduct a needs assessment to identify available educational materials, needs of osteoporosis patients, and needs of health care providers; and (2) seek any federal waiver necessary to maximize federal fund reimbursement to implement the program.

DHMH is to evaluate the program's effectiveness by December 1 of each year and to submit a report with its findings to the Governor and the General Assembly.

Fiscal Summary

State Effect: General fund expenditures increase by \$469,500 in FY 2001. Future year expenditures increase with annualization and inflation. Revenues would not be affected.

(in dollars)	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	469,500	605,500	617,700	630,400	643,500
Net Effect	(\$469,500)	(\$605,500)	(\$617,700)	(\$630,400)	(\$643,500)

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

Local Effect: Revenues to local health departments would increase by approximately \$93,800, expenditures would increase by an equal amount.

Small Business Effect: None.

Analysis

State Fiscal Effect: DHMH advises that general fund expenditures could increase by an estimated \$756,461 in fiscal 2001, which accounts for the bill's October 1, 2000, effective date. This estimate reflects the cost of five and a half full-time equivalent positions, or seven people, (one nutritionist, one nurse program administrator, one part-time coordinator/special programs, one office secretary, one epidemiologist, one part-time physical activity consultant, and one part-time budget specialist) to develop a public awareness campaign, develop a health professional education campaign, conduct a needs assessment, staff the advisory council, analyze the extent of osteoporosis in Maryland, develop educational materials, manage the reporting of expenditures, and provide clerical support. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. The DHMH estimate also includes \$510,000 in contractual services, which consists of: (1) \$187,500 for a media campaign to raise the general public's awareness; (2) \$187,500 for mini-grants to local health departments to educate their clientele; (3) \$112,500 to educate health care professionals; and (4) \$22,500 for educational materials.

The Department of Legislative Services (DLS) advises, however, that general fund expenditures could increase by an estimated \$469,457 in fiscal 2001, which accounts for the bill's October 1, 2000, effective date. This estimate reflects the cost of hiring three and a half positions (one nutritionist, one nurse program administrator, one office secretary, and one part-time epidemiologist). It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. The DLS estimate includes only \$322,500 in contractual services, which consists of: (1) \$187,500 for a media campaign to raise the general public's awareness and mini-grants to local health departments; (2) \$22,500 for educational materials; and (3) \$112,500 to educate health care professionals.

The DLS estimate reduces the number of positions assumed in the DHMH estimate by a total of two. DHMH contends that the coordinator/special programs position is needed to staff the advisory council; however, DLS advises that staffing the advisory council can be accomplished either within existing budgeted resources or with one of the other new positions associated with the osteoporosis program. In addition, the part-time physical activity consultant and the budget specialist are not needed as a direct result of the bill's requirements. The DLS estimate reduces spending for contractual services, because it is

believed that a total of \$187,500 in fiscal 2001 should be sufficient to provide grants to local health departments and raise the general public's awareness of the osteoporosis problem.

Salaries and Fringe Benefits	\$119,117
Publicity and Educational Campaigns	322,500
Other Operating Expenses	<u>27,840</u>
Total FY 2001 State Expenditures	\$469,457

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

Local Revenues: Revenues to local health departments would increase by approximately \$93,750 in fiscal 2001.

Additional Information

Prior Introductions: This bill was introduced as HB 460 in the 1999 session but was withdrawn after a hearing in the House Environmental Matters Committee. This bill was also introduced as HB 684 in the 1998 session and was not reported out of the House Environmental Matters Committee. A similar bill was introduced in 1998 but was withdrawn after re-referral to the House Environmental Matters Committee.

Cross File: None.

Information Source(s): Department of Health and Mental Hygiene (Community and Public Health Administration), Department of Legislative Services

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nncsjr

Analysis by: Louise Hanson

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510