

Department of Legislative Services
 Maryland General Assembly
 2001 Session

FISCAL NOTE

House Bill 263 (Delegates Nathan-Pulliam and A. Jones)
 Environmental Matters

Health Care - Stroke Prevention, Early Detection, and Treatment Program

This bill requires the Department of Health and Mental Hygiene (DHMH) to establish and promote a Stroke Prevention, Early Detection, and Treatment Program, including the development of a statewide public education program and the compiling or developing of recommendations for health care providers. DHMH must issue a report on the status of the program to the Governor and the General Assembly by December 1 of each year.

This bill takes effect October 1, 2001.

Fiscal Summary

State Effect: General fund expenditures could increase by \$269,300 in FY 2002. Future year expenditures increase with annualization and inflation. Revenues would not be affected.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	269,300	352,600	359,400	366,500	374,000
Net Effect	(\$269,300)	(\$352,600)	(\$359,400)	(\$366,500)	(\$374,000)

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

Local Effect: Revenues to local health departments would increase by approximately \$93,750; expenditures would increase by an equal amount.

Small Business Effect: Minimal.

Analysis

Current Law: None.

State Expenditures: DHMH advises that general fund expenditures could increase by an estimated \$618,294 in fiscal 2002, which accounts for the bill's October 1, 2001 effective date. This estimate reflects the cost of three new positions (one program administrator, one special program coordinator, and one office secretary) to develop a statewide education program on stroke prevention, develop or compile recommendations for health professionals, develop educational materials, and provide clerical support. It includes salaries, fringe benefits, one-time start-up costs, and ongoing expenses. It also includes \$502,500 in contractual services, which consists of: (1) \$187,500 for a health communication media campaign to educate and raise the public's general awareness and mini-grants to local health departments; (2) \$187,500 for mini-grants to local health departments to educate their clientele; (3) \$15,000 for the printing of educational materials targeted to high risk groups; and (4) \$112,500 to educate health care professionals.

The Department of Legislative Services (DLS) advises, however that general fund expenditures would increase by an estimated \$269,341 in fiscal 2002, which accounts for the bill's October 1, 2001 effective date. The estimate reflects the cost of one and one-half new positions (one nurse and one part-time secretary). It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. The DLS estimate includes only \$202,500 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; and (2) \$15,000 for educational materials.

The DLS estimate reduces the number of positions assumed in the DHMH estimate by a total of one and one-half. DHMH contends that the program administrator position is needed to direct assessments, identify objectives, manage procurement procedures, evaluate the program and make recommendations, and that the coordinator/special programs position is needed to monitor stroke prevention activities in local health departments and among community organizations. However, DLS advises that these functions can be accomplished with one nurse position. In addition, a part-time, rather than a full-time, secretary should be able to provide the necessary support functions. The DLS estimate reduces spending for contractual services, because it is believed that a total of \$187,500 in fiscal 2002 should be sufficient to provide grants to local health departments to educate and raise the general public's awareness of the stroke problem. Moreover, in addition to his or her other duties, the nurse should be able to develop or compile the required recommendations relating to strokes for health care providers.

Salaries and Fringe Benefits	\$53,219
Publicity and Educational Campaigns	108,750
Grants to Local Health Departments	93,750
Other Operating Expenses	<u>13,622</u>
Total FY 2002 State Expenditures	\$269,341

Future year expenditures reflect: (1) full salaries with a 6.5% annual increase in fiscal 2003 and a 4.5% increase each year thereafter, with a 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Local Fiscal Effect: Revenues to local health departments would increase by approximately \$93,750 in fiscal 2002 due to grants from DHMH; expenditures would increase by the same amount.

Additional Information

Prior Introductions: None.

Cross File: SB 234 (Senator Kelley, *et al.*) – Economic and Environmental Affairs.

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

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ef/jr

Analysis by: Sandra Steele

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