

Department of Legislative Services

Maryland General Assembly

2001 Session

FISCAL NOTE

House Bill 236 (Delegate C. Davis)

Environmental Matters

Nursing Homes - Retention of Direct Care Nursing Staff

This bill requires nursing homes with more than 50% turnover of “direct care nursing staff” in any calendar year to establish a program to improve staff retention. These nursing homes must ask each direct care nursing staff member who voluntarily terminates employment to fill out an exit interview.

Fiscal Summary

State Effect: General fund expenditure increase of \$23,800 in FY 2002 only. No effect on revenues.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	23,800	0	0	0	0
Net Effect	(\$23,800)	\$0	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The Department of Health and Mental Hygiene (DHMH), in collaboration with the Board of Examiners of Nursing Home Administrators, must develop an exit interview questionnaire and a manual with suggestions for recruitment and retention of direct care nursing staff. DHMH must distribute the questionnaire and

manual to each licensed nursing home. A nursing home must conduct a biannual review of the questionnaires to assess the cause(s) of voluntary staff terminations. To the extent possible, a nursing home must implement appropriate corrective measures in accordance with the review's findings. The bill also provides that a completed exit interview questionnaire cannot include the staff person's name and is not subject to public disclosure.

Current Law: Nursing homes are not required to administer staff retention programs.

Background: According to the *Report of the Task Force on Quality of Care in Maryland Nursing Facilities* (December 1999), there are 261 nursing facilities in Maryland with 31,562 beds. The average bed capacity for nursing homes in Maryland is 125, compared with a national average of 107. The average total direct care staff per nursing home in Maryland is 72, including 47 certified nursing assistants, 14 licensed practical nurses, and 12 registered nurses.

State Fiscal Effect: DHMH general fund expenditures would increase by an estimated \$23,752 in fiscal 2002 only, which accounts for the bill's October 1, 2001 effective date. This estimate reflects the cost of hiring one contractual public affairs officer in the Office of Health Care Quality (OHCQ) for six months to develop 1,000 staff retention manuals and assist in developing exit interview questionnaires. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salary and Fringe Benefits	\$16,949
Printing Costs	1,000
Postage	3,000
Other Operating Expenses	<u>2,803</u>
Total FY 2002 State Expenditures	\$23,752

OHCQ estimates that questionnaires and manuals could be developed and distributed within six months. Consequently, future year expenditures would not be affected. Revenues would not be affected.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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