

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE
Revised

House Bill 420

(Delegate Hubbard, *et al.*)

Environmental Matters

Education, Health, and Environmental Affairs

Department of Health and Mental Hygiene - Asthma Control Program

This bill creates the Asthma Control Program within the Department of Health and Mental Hygiene (DHMH). It requires the Secretary of Health and Mental Hygiene to appoint a program director who must establish a statewide asthma coalition, develop and implement a statewide asthma intervention program, and develop and implement an asthma surveillance system. The program may fund local asthma intervention initiatives and asthma education training for school or other appropriate personnel. The Secretary must report to the Governor, the Senate Education, Health, and Environmental Affairs Committee, the House Environmental Matters Committee, and the Children’s Environmental Health and Protection Advisory Council by December 1, 2005 and each December 1 thereafter on the Asthma Control Program’s activities.

Fiscal Summary

State Effect: No effect in FY 2003 and 2004. General fund expenditures could increase by \$700,400 in FY 2005. Out-year expenditures reflect annualization and inflation. Revenues would not be affected.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	0	700,400	726,300	737,900
Net Effect	\$0	\$0	(\$700,400)	(\$726,300)	(\$737,900)

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

Local Effect: No effect in FY 2003 and 2004. Revenues to local health departments would increase by approximately \$400,000 in FY 2005. Expenditures would increase by an equal amount.

Small Business Effect: None.

Analysis

Current Law: None applicable.

Background: Asthma is a chronic respiratory disease that affects more than ten million adults and more than five million children nationwide. Approximately 307,000 State residents were affected by asthma in 1998. In 1999, 4,439 adults were discharged from Maryland hospitals with a primary diagnosis of asthma. A survey of Maryland residents in 2000 shows that 417,673 adults were diagnosed with asthma at one point in their lifetime. Extrapolating from this data, it is estimated that approximately 143,754 Maryland children under the age of 18 also are diagnosed with asthma. The Allergy and Asthma Foundation of America estimated the direct medical expenditures in the State as a result of asthma, based on 273,000 persons with the diagnosis, at \$117 million with \$89 million in indirect costs associated with time lost from work due to a person's or a child's illness.

DHMH created a Childhood Asthma Program in 1998 that has enhanced community education, provided funding to four counties for asthma intervention initiatives, directed efforts for training school personnel about asthma, and provided technical assistance to community groups and coalitions.

DHMH was awarded a three-year grant in September 2001 by the Centers for Disease Control and Prevention to create a statewide asthma plan, develop and organize collaborative linkages with asthma stakeholders, develop and implement an asthma surveillance system, and begin a statewide asthma intervention program after completing the asthma plan. The Maryland Asthma Control Program was created to manage and oversee project activities.

The Governor appointed the Children's Environmental Health and Protection Advisory Council in 2001, which chose asthma as one of its priorities. Through the council, DHMH has applied for federal Environmental Protection Agency funds to study the State's infrastructure for children's environmental health. In addition, Anne Arundel and Montgomery counties along with Baltimore City have local asthma programs. There also are individual asthma initiatives organized by provider groups, academic centers, and advocacy groups.

State Fiscal Effect: General fund revenues and expenditures would not be affected in fiscal 2003 or 2004 because DHMH received \$197,000 in federal funds in fiscal 2002 to create a statewide asthma plan and the Maryland Asthma Control Program, develop and organize linkages with asthma stakeholders, and develop and implement an asthma

surveillance system which are required under this bill. Those federal funds are expected to expire by October 1, 2004 (fiscal 2005) when DHMH projects it will begin implementing the program. General fund expenditures could increase by an estimated \$700,435 in fiscal 2005, which accounts for an October 1, 2004 start-up implementation date. This estimate reflects grants and the cost of two positions (one full-time epidemiologist and one full-time coordinator of special programs). It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. Grants include \$400,000 to local health departments for asthma programs, and \$200,000 to the University of Maryland Breathmobile that will treat 600 children every four to six weeks at 15 schools in Baltimore City.

Salaries and Fringe Benefits	\$83,564
Grants	600,000
One-time Advertising Costs	2,000
Other Operating Expenses	<u>14,871</u>
Total FY 2005 State Expenditures	\$700,435

Future year expenditures reflect: (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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