

Department of Legislative Services  
Maryland General Assembly  
2002 Session

FISCAL NOTE  
Revised

Senate Bill 451

(Senator Exum, *et al.*)

Finance

Environmental Matters

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Maryland Health Care Foundation - Health Disparities

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This bill requires the Maryland Health Care Foundation to promote public awareness of the need to reduce health disparities associated with poverty, gender, and race.

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Fiscal Summary

**State Effect:** The bill would not directly affect governmental operations or finances.

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Bill Summary:** The foundation may provide grants to programs addressing health care disparities. In addition, the foundation must consider geographical balance by county and region in providing grants and developing programs. The geographical balance must include consideration of the following factors: (1) the percentage of uninsured individuals; (2) the extent of health disparities; and (3) the existence of programs and services addressing the needs of the uninsured and underinsured in the geographic area.

**Current Law:** Chapter 180 of 1997 created the Maryland Health Care Foundation, a nonprofit organization established to support efforts to increase and improve access to quality health care for the uninsured, underinsured, and medically underserved residents of Maryland. The foundation awards grants to help fund programs that expand access to health care for Marylanders without health insurance.

**Background:** Various studies have found racial, gender, and income differences in the quality of health care provided in the U.S. For example, a recent study published in the *Journal of American Medical Association* found that African Americans are significantly less likely than whites to benefit from health and survival-enhancing interventions. The study was based on data collected regarding four services used to measure the quality of care provided to Medicare beneficiaries, including the frequency of breast cancer screenings, eye exams for patients with diabetes, the use of beta-blockers after a heart attack, and follow-up care after hospitalization for mental illness. In all four categories, African Americans were less likely than whites to receive services. The federal Department of Health and Human Services has launched its Healthy People 2010 initiative, which seeks to help individuals of all ages increase life expectancy and improve their quality of life, as well as eliminate health disparities among different segments of the population by 2010.

**Additional Comments:** The foundation will receive \$1 million from the Cigarette Restitution Fund in fiscal 2003, which the foundation may use to fulfill any of its statutory functions. The foundation also solicits gifts, grants, and funds from other public and private sources. The foundation uses these funds to make grants to various projects and organizations that promote public awareness of the need to provide more timely and cost-effective care for uninsured Marylanders as well as to expand access to health care services for the uninsured. The expansion of the foundation's mission to address health disparities is not expected to materially affect foundation finances.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** *Racial Disparities in the Quality of Care for Enrollees in Medicare Managed Care*, Journal of American Medicine Association (March 13, 2002); BlackHealthCare.com; Department of Health and Mental Hygiene; Maryland Insurance Administration; Department of Legislative Services

**Fiscal Note History:** First Reader - March 14, 2002  
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