

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE

House Bill 1282 (Delegate Hecht)
 Environmental Matters

Health Care Facilities - Alzheimer's Special Care Unit or Program - Disclosure of Services

This bill requires any facility that provides care for persons with Alzheimer’s Disease or a related disorder through a special care unit or program to disclose to the Department of Health and Mental Hygiene’s Office of Health Care Quality (OHCQ) how the form of care and treatment provided is specifically designed for the specialized care of its patients.

Fiscal Summary

State Effect: OHCQ general fund expenditures could increase by \$92,900 in FY 2003. Future year estimates reflect inflation and annualization. No effect on revenues.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	92,900	117,900	123,100	128,700	134,600
Net Effect	(\$92,900)	(\$117,900)	(\$123,100)	(\$128,700)	(\$134,600)

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

Local Effect: None.

Small Business Effect: Potential minimal. Small business facilities that provide Alzheimer’s special care units would be required to submit certain information to OHCQ.

Analysis

Bill Summary: The disclosure must include the following information: (1) a written statement of the facility's overall treatment philosophy and its mission statement regarding the special care unit or program; (2) a description of the facility's personnel training, the content of the training, and the job titles of the staff who receive training for the unit or program; (3) screening, admission, and discharge procedures; (4) assessment, planning, implementation, monitoring, and evaluation of care plans; (5) staffing patterns unique to the unit or program; (6) a description of the physical environment and any design features appropriate to support the functioning of cognitively impaired adults; (7) residents' or program participants' activities; and (8) program costs including the costs for care and any additional fees unique to the facility's unit or program.

OHCQ must examine the records of and verify the accuracy of a facility's patient care disclosures as part of the facility's license renewal procedure. If OHCQ determines that the facility advertising, marketing, or otherwise promoting the unit or program is not providing the advertised services or care, OHCQ must instruct the facility to develop and implement a plan to provide the services or care advertised or cease advertising unavailable services or care.

Current Law: A licensed comprehensive care or extended care facility may establish special care units with the approval of OHCQ. The facility must provide OHCQ with: (1) a description and scope of services to be provided; (2) an organization chart of the special care unit and its interrelatedness to the rest of the facility; (3) a description of staffing patterns; (4) qualifications, duties, and responsibilities of personnel; (5) a quality assurance plan; (6) policies and procedures including the transfer of residents, the administration of medicines, infection control, pertinent safety practices, and preventive maintenance; (7) protocols for obtaining specialized services; (8) protocols for emergency situations; and (9) an inventory of the specialized equipment in the unit.

State Fiscal Effect: OHCQ general fund expenditures could increase by an estimated \$92,867 in fiscal 2003, which accounts for the bill's October 1, 2002 effective date. This estimate reflects the cost of hiring two health facilities surveyor nurses to review and verify information submitted by an estimated 1,250 facilities. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$85,291
Operating Expenses	<u>7,576</u>
Total FY 2003 State Expenditures	\$92,867

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. Revenues would not be affected.

Additional Information

Prior Introductions: Similar legislation introduced in 1996, SJ 3 and HJ 9, urged nursing homes and assisted living facilities that offered special care for Alzheimer's patients to disclose its services to consumers and the appropriate State licensing agency. Both joint resolutions were reported unfavorably by their respective committees.

Cross File: SB 746 (Senator Collins) – Education, Health, and Environmental Affairs.

Information Source(s): Department of Health and Mental Hygiene (Office of Health Care Quality, Maryland Health Care Commission), Department of Legislative Services

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