

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE
Revised

Senate Bill 572

(Senator Hollinger, *et al.*)

Education, Health, and Environmental Affairs

Environmental Matters

Arthritis Prevention and Control Act

This bill establishes the Arthritis Prevention and Control Program within the Department of Health and Mental Hygiene (DHMH). The stated purpose of the program is to raise public awareness, educate consumers, and educate and train health professionals, teachers, and providers about arthritis. Among its responsibilities, the program will evaluate the need for improving the quality and accessibility of existing community-based services, implement and coordinate State and local programs and services to reduce the public health burden of arthritis, establish a solid scientific base of knowledge on the prevention of arthritis and related disabilities, and disseminate information on arthritis. DHMH is required to provide staff to implement the program. This bill requires the existing Advisory Council on Arthritis and Related Diseases to advise DHMH on developing and implementing the program.

Fiscal Summary

State Effect: DHMH general fund expenditures would increase by \$356,700 in FY 2003 to create and staff the Arthritis Prevention and Control Program. Future years 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	356,700	461,700	471,700	482,300	439,400
Net Effect	(\$356,700)	(\$461,700)	(\$471,700)	(\$482,300)	(\$439,400)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Advisory Council on Arthritis and Related Diseases' existing duties include developing and coordinating programs in vocational rehabilitation and industry to help individuals with arthritis remain productive members of the State's workforce; coordinating the development of a patient education strategic plan; addressing gaps in the delivery of State services and making recommendations to contain costs associated with arthritis prevention, treatment, and vocational training; and coordinating the activities of public and private agencies, medical schools, and related professional groups to improve the quality of life for individuals with arthritis and their families.

Background: Arthritis encompasses more than 100 diseases and conditions that affect joints, the surrounding tissues, and other connective tissues. As one of the most common family of diseases in the nation, arthritis affects nearly one out of six persons and will impact an estimated 60 million people nationwide by 2020. Arthritis is the leading cause of disability in the country, limiting the daily activities for more than seven million people.

State Fiscal Effect: General fund expenditures could increase by an estimated \$356,704 in fiscal 2003, which accounts for the bill's October, 1, 2002 effective date. This estimate reflects the cost of three full-time positions (one program administrator, one community health educator, and one office secretary) to develop and administer the professional education and public awareness campaigns, assist in a needs assessment, distribute educational materials, and provide clerical support. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

This estimate also includes \$229,125 in contractual services, which consists of: (1) \$140,625 for a public education media campaign; (2) \$60,000 for consultant services to monitor the program, evaluate the need for improving the quality and accessibility of community services, and to add arthritis and quality of life modules to a survey; (3) \$15,000 for contracts with professional organizations for regional professional training programs and a statewide meeting; and (4) \$13,500 for printing educational materials targeted to high risk groups.

Salaries and Fringe Benefits	\$108,419
Contractual Services	229,125
Other Operating Expenses	<u>19,160</u>
Total FY 2003 State Expenditures	\$356,704

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, including all contractual services.

DHMH estimates that general fund expenditures could increase by \$547,459 in fiscal 2003, \$190,755 more than the Department of Legislative Services (DLS) estimates. This estimate includes \$187,500 for grants to local health departments and \$3,548 for the advisory council's travel expenses.

DLS disagrees. The items the grants would cover include a portion of existing local department staff salaries as well as the development and purchase of educational literature, local training and meetings, speakers, and displays in the community. DLS believes that these expenses could be handled with existing funds and with the funds requested under this bill. The advisory council's travel expenses are already paid by DHMH and would not need to be paid for under this bill.

Additional Information

Prior Introductions: None.

Cross File: HB 247 (Delegate Hammen, *et al.*) – Environmental Matters.

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

Fiscal Note History: First Reader - February 8, 2002
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