

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE
Revised

House Bill 533 (Delegate Redmer, *et al.*)

Environmental Matters

Education, Health, and Environmental Affairs

Maryland Physician Assistants Act - Revisions

This bill alters the Maryland Physician Assistants Act by: (1) clarifying the scope of practice responsibilities that may be delegated by a supervising physician to a physician assistant; (2) changing supervisory requirements for physician assistants; and (3) authorizing the Board of Physician Quality Assurance (BPQA) to impose a civil penalty against an individual who practices as a physician assistant without certification.

Fiscal Summary

State Effect: BPQA special fund revenues could increase by \$123,400 and special fund expenditures could increase by \$84,400 in FY 2003. Future year estimates reflect biennial fees assessments and 1% increases in certificate holders. Any additional hearings could be handled with existing BPQA and Office of Administrative Hearings resources. The civil penalty provisions are not expected to significantly affect State finances or operations. Biennial audits performed by the Office of Legislative Audits could be handled with existing resources.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
SF Revenue	\$123,400	\$35,600	\$73,800	\$35,700	\$74,300
SF Expenditure	84,400	14,400	53,100	14,500	53,700
Net Effect	\$39,000	\$21,200	\$20,700	\$21,200	\$20,600

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill provides that a physician assistant's authority to write medication orders is included under the physician assistant's prescriptive authority by expanding the definition of "prescriptive authority" to include the oral, written, or electronic ordering of medications (medication orders).

The bill requires a delegation agreement to include a description of delegated medical acts. A delegation agreement between a physician and physician assistant containing information about a physician's qualifications and the physician assistant's practice setting must be submitted to BPQA for approval. BPQA can modify or disapprove the delegation agreement if it does not comply with current law. The bill also repeals current law relating to a physician assistant's authority to write medication orders.

The bill authorizes BPQA to impose up to a \$5,000 civil penalty on an uncertified individual who practices as a physician assistant without certification.

The bill also authorizes BPQA to charge each certificate holder a fee sufficient to fund the physician assistant rehabilitation program. The Legislative Auditor must audit the accounts and transactions of the rehabilitation program every two years. The bill authorizes a physician who supervises a physician assistant to designate one or more alternate supervising physicians who may have supervisory authority over the physician assistant. In addition, the bill authorizes BPQA to approve a delegation agreement in which a physician may delegate medical acts to more than two physician assistants at a time if the physician and physician assistants work in a hospital or non-hospital setting such as a correctional facility, detention center, or public health facility.

The bill's provisions may not be construed to prevent a physician assistant who, on or before January 1, 2002, was a participant in a BPQA-approved delegation agreement that included delegation of medical acts involving general anesthesia from performing the terms of that agreement or modifications of that agreement or from performing medical acts involving general anesthesia under any future delegation agreement.

BPQA, the Board of Nursing, the faculty of the University of Maryland School of Nursing, the Maryland Association of Nurse Anesthetists, the Maryland Society of Anesthesiologists, and the Maryland Academy of Physician Assistants must meet to propose regulations or legislation with regard to the approval of delegation agreements by BPQA pertaining to the administration of anesthesia. BPQA must report on the topics discussed and progress made toward resolution of issues related to general anesthesia to the Senate Education, Health, and Environmental Affairs and the House Environmental Matters committees by December 1, 2002.

Current Law: A physician can delegate medical acts within the physician's lawful scope of practice to a physician assistant. To do so, the physician and physician assistant must submit a delegation agreement to BPQA for approval. A physician may delegate: (1) the authority to write medication orders, which are directives written in medical charts in hospitals, prisons, and public health clinics; and (2) prescriptive authority, which is the authority to prescribe and administer controlled dangerous substances, prescription drugs, and medical devices. A physician may not delegate medical acts to more than two physician assistants in a non-hospital setting.

BPQA collects physician assistant certification fees and pays them directly to the Comptroller. The Comptroller distributes 20% of the fees to the general fund and the remaining 80% to the BPQA fund.

State Expenditures: BPQA special fund expenditures could increase by an estimated \$84,360 in fiscal 2003, which accounts for the bill's October 1, 2002 effective date. This estimate reflects: (1) \$34,720 paid to MedChi for rehabilitation committee services; and (2) the cost of hiring one contractual administrative specialist to process an influx of delegation agreements in fiscal 2003 only. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$31,852
Rehabilitation Committee Payments to Med Chi	34,720
Operating Expenses	<u>17,788</u>
Total FY 2003 State Expenditures	\$84,360

Future year expenditures reflect BPQA's biennial certification process and assume 1% annual increases in ongoing operating expenses. The bill's reporting requirements could be handled with existing BPQA budgeted resources.

State Revenues: BPQA special fund revenues could increase by an estimated \$123,400 in fiscal 2003. This estimate reflects a new fee assessed on certificate holders to cover MedChi's rehabilitation services and assumes new delegation agreements will be submitted to BPQA in fiscal 2003.

Rehabilitation Committee: MedChi, the Maryland State Medical Society, provides rehabilitation committee services for licensed physicians, and would provide services for physician assistants under the bill's requirements. BPQA would assess a biennial fee of \$31 on 1,400 certificate holders, collecting \$43,400. BPQA must transfer 80% of these funds, or \$34,720, to MedChi in fiscal 2003. Future year revenue estimates reflect

BPQA's biennial certification process and assume a 1% annual increase in the number of certificate holders.

Delegation Agreements: The bill permits physicians to modify delegation agreements to cover more than one physician assistant. It is assumed that 800 new delegation agreements will be submitted in fiscal 2003, for which BPQA charges a \$100 fee. Future year estimates assume 300 new agreements annually.

Additional Information

Prior Introductions: A similar bill, HB 1068, was introduced in the 2001 session. It passed by the House and Senate with amendments; however, the House refused to concur with Senate amendments.

Cross File: None.

Information Source(s): Office of Administrative Hearings, Department of Health and Mental Hygiene (Board of Physician Quality Assurance), Department of Legislative Services

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