

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE

House Bill 86 (Chairman, Environmental Matters Committee)
(Departmental – Health and Mental Hygiene)

Environmental Matters

Finance

Health - Maryland AIDS Insurance Assistance Program - Sunset Extension

This departmental bill extends the sunset termination date of the Maryland AIDS Insurance Assistance Program (MAIAP) from June 30, 2002 to June 30, 2010.

The bill takes effect July 1, 2002.

Fiscal Summary

State Effect: General fund expenditures of approximately \$721,400 would continue for MAIAP beyond FY 2002.

Local Effect: None.

Small Business Effect: The Department of Health and Mental Hygiene (DHMH) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: MAIAP was established by the General Assembly as a two-year pilot program in 1990 (Chapter 188 of 1990). The program was extended in 1992, 1994, and 1998. Under current law, MAIAP will terminate on June 30, 2002.

Background: MAIAP pays for an eligible individual's private health insurance premiums under the federal Consolidated Omnibus Reconciliation Act of 1985 (COBRA)

or other supplemental insurance. Individuals with HIV/AIDS who are too ill to continue working as a result of the disease are at risk of losing their private health insurance. Under MAIAP, DHMH pays health insurance premiums to an eligible individual's insurance carrier or employer. MAIAP may enroll up to 450 individuals at any given time. A person is eligible for the program if he or she: (1) meets certain income and asset requirements; and (2) is eligible for continuation of health benefits through the former employer. MAIAP permits eligible individuals to maintain their private health insurance and remain with their established medical providers without having to spend down limited assets to qualify for Medicaid. Currently, there are approximately 230 enrollees in the program, for whom MAIAP pays an average monthly premium of \$300.

State Fiscal Effect: General fund expenditures would be maintained for MAIAP beyond fiscal 2002. The fiscal 2002 appropriation for MAIAP is \$721,360; the allowance for fiscal 2003 is expected to be similar.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - January 14, 2002
lc/jr

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