

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE

Senate Bill 519
 Finance

(Senator Teitelbaum)

Health - Public Health Emergencies - Hospital Decontamination Facilities

This emergency bill requires, contingent upon the receipt of federal funds, that each accredited hospital in the State that provides emergency medical services must have a decontamination facility.

Fiscal Summary

State Effect: Assuming federal funds are available, Department of Health and Mental Hygiene (DHMH) federal fund expenditures and revenues could each increase by at least \$23 million beginning FY 2003. DHMH general fund expenditures could increase by \$102,400 in FY 2003. Future year estimates reflect inflation.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
FF Revenue	\$23,000,000	-	-	-	-
GF Expenditure	102,400	103,900	108,400	113,200	118,200
FF Expenditure	23,000,000	-	-	-	-
Net Effect	(\$102,400)	(\$103,900)	(\$108,400)	(\$113,200)	(\$118,200)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: A decontamination facility must include: (1) a dedicated entrance separate from the emergency entrance; (2) a separate ventilation system; (3) a water

supply for emergency eyewash and shower; (4) a wastewater containment system; (5) the appropriate level personal protective equipment (PPE); (6) facilities for the safe collection, containment, storage, and disposal of contaminated materials; and (7) any other requirements that DHMH determines are necessary.

DHMH must apply to the federal government for federal funds in the form of a grant to establish decontamination facilities. In addition, DHMH must apply for a grant to provide for insurance for hospitals in order to be indemnified against civil actions related to the patient decontamination process.

Current Law: Hospitals are not required to have a separate decontamination facility. Hospitals are required to have risk management programs, which are systems designed to identify, evaluate, and reduce risks to patients in the provision of health care services.

Background: Patient decontamination is the process of removing or neutralizing hazardous chemical, biological, or radiologic agents from an injured or otherwise exposed individual in order to reduce the risk to the individual and minimize secondary exposure to health care workers and other patients in the facility.

State Revenues: DHMH federal fund revenues could increase by at least \$23 million if grants are approved to enable hospitals to establish decontamination facilities. In addition, federal fund revenues could increase to provide insurance for hospitals to be indemnified against any civil actions related to the patient decontamination process. The amount necessary to provide insurance to hospitals cannot be reliably estimated at this time.

State Expenditures: Assuming federal funds are available, State federal fund expenditures could increase by at least \$23 million and general fund expenditures could increase by \$102,355 in fiscal 2003. This estimate assumes a July 1, 2003 start-up date. It reflects the cost of two new positions (one program administrator to function as a grants manager and one office secretary to process grants). It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. The information and assumptions used in calculating the estimate are stated below:

- there are 72 acute care hospitals in Maryland;
- 20 hospitals in metropolitan areas will need \$500,000 each to establish decontamination facilities;
- 52 hospitals in rural areas will need \$250,000 each to establish decontamination facilities; and

- the cost of providing insurance for hospitals cannot be reliably estimated at this time.

Salaries and Fringe Benefits	\$88,800
Federal Grants to Hospitals for Decontamination Facilities	23,000,000
Operating Expenses	<u>13,555</u>
Total FY 2003 State Expenditures	\$23,102,355

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.

DHMH Estimate: DHMH estimates that administrative expenditures could increase by an estimated \$175,154, which reflects the cost of four new positions (one program administrator, one agency budget specialist, one environmental program manager, and one office secretary). These positions are requested to ensure hospital compliance with State and federal requirements, to approve decontamination plans, and to provide follow-up investigations and monitoring. The Department of Legislative Services (DLS) disagrees. DLS advises the bill does not require DHMH to ensure hospital compliance with the bill's requirements. In addition, if compliance were required, DHMH could monitor and regulate compliance through the Office of Health Care Quality, which conducts periodic inspections of hospitals for licensure and complaint investigation purposes.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): American Hospital Association, Department of Health and Mental Hygiene (Community Health Administration, Office of Health Care Quality), Department of Legislative Services

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