

Department of Legislative Services

Maryland General Assembly

2003 Session

FISCAL AND POLICY NOTE

Senate Bill 677

(Senator Klausmeier, *et al.*)

Finance

Maryland Health Care Commission - Fees - Health Care Practitioners

This bill specifically excludes registered nurses (except for advanced practice nurses), licensed practical nurses, and nursing assistants from the Maryland Health Care Commission (MHCC) assessment on hospitals, nursing homes, payors, and all health care practitioners.

Fiscal Summary

State Effect: None. MHCC would reassess larger fees against other health care practitioners to replace lost revenues from fees charged to nurses.

Local Effect: None.

Small Business Effect: Minimal. MHCC fees for other small business health care practitioners could increase because of the exclusion of certain nurses.

Analysis

Current Law: MHCC was established in 1999 by merging the Health Resources Planning Commission and the Health Care Access and Cost Commission. MHCC is responsible for: (1) overseeing the Comprehensive Standard Health Benefit Plan established for the small group health insurance market; (2) overseeing the State Health Plan; (3) maintaining provider encounter data systems; (4) implementing quality and performance report cards for HMOs; (5) administering the certificate of need process; and (6) various other health care regulatory duties.

MHCC is special funded and is statutorily limited to assessing a maximum of \$10 million in user fees annually. MHCC assesses user fees on hospitals, nursing homes, health insurance payors, and health care practitioners.

MHCC must, when determining assessments of the total fees: (1) use a methodology that accounts for the portion of MHCC's workload attributable to each industry assessed; and (2) recalculate workload distribution every four years. The fees assessed on health care practitioners must be included in the licensing fee paid to the health care practitioner's licensing board and transferred by the licensing board to MHCC on a quarterly basis. MHCC may adopt regulations that waive the fee assessed for a specific class of health care practitioners.

State Fiscal Effect: The bill's provisions have no fiscal impact on MHCC, which would reassess larger fees against other health care practitioners to replace lost revenues from fees charged to nurses.

MHCC currently assesses advanced practice nurses and registered nurses \$17 annually upon licensure renewal. MHCC does not assess a fee for licensed practical nurses or nursing assistants. All other health care practitioners that earn more than \$30,246 annually are assessed \$34.00 for a biennial renewal. There are approximately 48,464 registered nurses licensed in the State. If the specified nurses are excluded from the assessment, the fees paid by other health care practitioners would increase to \$64 per biennial renewal to cover MHCC's annual costs.

Additional Information

Prior Introductions: None.

Cross File: HB 1039 (Delegate Mandel) – Health and Government Operations.

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

Fiscal Note History: First Reader - March 7, 2003
ncs/jr

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