

Department of Legislative Services
 Maryland General Assembly
 2004 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 469 (Senator Jacobs)
 Finance

Maryland Health Care Commission - Fees - Health Care Practitioners

This bill prohibits the Maryland Health Care Commission from assessing fees on registered massage practitioners.

Fiscal Summary

State Effect: Special fund revenues to the commission could decline by \$4,200 in FY 2005 as registered massage practitioners would no longer pay the commission's \$34 biennial fee. Future years reflect biennial licensure renewal. No effect on expenditures.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
SF Revenue	(\$4,200)	\$0	(\$4,200)	\$0	(\$4,200)
Expenditure	\$0	\$0	\$0	\$0	\$0
Net Effect	(\$4,200)	\$0	(\$4,200)	\$0	(\$4,200)

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

Local Effect: None.

Small Business Effect: Minimal. Registered massage practitioners would no longer pay the commission's fee.

Analysis

Current Law/Background: Statute requires the independent commission to assess a fee on all hospitals, nursing homes, payors, and health care practitioners. Total fees assessed may not exceed \$10 million in any fiscal year. The commission performs a variety of functions including developing health care containment cost strategies, analyzing the

medical care database and reporting on cost variations among health care practitioners, and determining the cost of mandated health insurance services in the State.

Chapter 565 of 2001 required the commission to adopt regulations allowing a waiver of the assessment requirements for certain health care practitioners. The commission was required to consider the health care practitioner's hourly wages and give preference to exempting health care practitioners with an hourly wage substantially below other health care practitioners.

The average annual wage for health care practitioners overall was determined to be \$30,246 or \$14.54 per hour. The commission is not authorized to waive the assessment of a particular group that earns this annual wage or more. The commission determined that both registered massage practitioners and certified massage therapists earned between \$30 and \$40 per hour. Therefore, the commission states it is not allowed to waive its \$34 biennial fee for those practitioners.

This bill would apply to only registered massage practitioners (124) and not certified massage therapists (2,417).

State Revenues: Maryland Health Care Commission special fund revenues could decrease by \$4,216 in fiscal 2005, which accounts for the bill's October 1, 2004 effective date. Registered massage practitioners must renew their biennial licenses by October 15, 2004, which currently includes the commission's \$34 biennial fee. Although some registered massage practitioners might pay their renewal fee prior to the bill's effective date, Legislative Services assumes that by having an effective date prior to the renewal deadline the fee reduction would count for all of fiscal 2005 and fiscal 2006. The commission receives its fee revenue from the practitioners for fiscal 2005 and fiscal 2006 in fiscal 2005. Future years reflect biennial reduction in revenues for the commission.

Additional Information

Prior Introductions: None.

Cross File: HB 154 (Delegate Hubbard) – Health and Government Operations.

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

Fiscal Note History: First Reader - February 11, 2004
ncs/jr Revised - Clarification - February 13, 2004
Revised - Updated Information - February 27, 2004

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