

**Department of Legislative Services**  
Maryland General Assembly  
2006 Session

**FISCAL AND POLICY NOTE**

House Bill 1040 (Delegate McDonough)  
Health and Government Operations

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**Task Force to Study Uncompensated Health Care in Maryland**

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This bill establishes a Task Force to Study Uncompensated Health Care in Maryland. The bill takes effect July 1, 2006 and terminates June 30, 2007.

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**Fiscal Summary**

**State Effect:** Any expense reimbursements for task force members and staffing costs for the Department of Health and Mental Hygiene (DHMH) and the Department of Legislative Services (DLS) are assumed to be minimal and absorbable within existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** The task force must: (1) study the impact of uncompensated health care on health care providers in the State; (2) study the effect of uncompensated health care on the cost of health care in the State; (3) ascertain the amount and cost of services that health care practitioners and institutions provide to uninsured individuals; and (4) make recommendations regarding legislation to address the problems documented by the task force. The task force must report its findings and recommendations to the Governor and the General Assembly by October 1, 2006.

A task force member may not receive compensation but is entitled to reimbursement for expenses under the standard State travel regulations. DHMH and DLS must provide staff for the task force.

**Current Law:** None applicable.

**Background:** The uninsured rate for Marylanders under age 65 is about 14%. Nationally, individuals without health care coverage often postpone obtaining health care or forgo care altogether. When symptoms can no longer be ignored, the uninsured do go see doctors and go to hospitals. By this time, health conditions are often worse for lack of treatment and more expensive. According to a Families USA study, the uninsured pay about one-third of the total cost of health care services provided to them. Of the remaining \$43 billion of uncompensated care, one-third is reimbursed through a number of government programs, and two-thirds are paid through higher premiums for people with health insurance. In 2005, premium costs for family health insurance coverage provided by private employers included an extra \$922 in premiums due to the cost of care for the uninsured.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** *Paying a Premium, The Added Cost of Care for the Uninsured* (June 2005) Families USA; U.S. Census; Department of Health and Mental Hygiene; Department of Legislative Services

**Fiscal Note History:** First Reader - February 27, 2006  
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