

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

House Bill 195 (The Speaker)
 (By Request – Department of Legislative Services)
Health and Government Operations

**Maryland Program Evaluation Act - Maryland Health Care Commission and the
State Health Services Cost Review Commission**

This bill extends the Maryland Program Evaluation Act review date from July 1, 2007 to July 1, 2017 for both the Health Services Cost Review Commission (HSCRC) and the Maryland Health Care Commission (MHCC).

Fiscal Summary

State Effect: Any change in State activities would not materially affect State finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: HSCRC was established in 1971 to address escalating health care costs and increase the quality of health care through hospital rate regulation. HSCRC is an independent commission within the Department of Health and Mental Hygiene.

MHCC, formed by the 1999 merger of the Health Resources Planning Commission and the Health Care Access and Cost Commission, has the purpose of improving access to affordable health care; reporting information relevant to the availability, cost, and quality of health care statewide; and developing sets of benefits included in the Comprehensive Standard Health Benefit Plan.

The Maryland Program Evaluation Act, § 8-401 *et seq.* of the State Government Article, provides for a system of periodic legislative review of the regulatory, licensing, and other governmental activities of various units of State government. The Act is informally referred to as the “sunset law” and the associated review process as “sunset review” or “sunset evaluation” because governmental units subject to the Act are usually scheduled to terminate unless they are affirmatively reestablished by the General Assembly. The goal of the sunset review process is to promote accountability in government operations.

Although both HSCRC and MHCC are subject to evaluation, neither has a termination date.

Background: The Department of Legislative Services (DLS) performed preliminary evaluations on both HSCRC and MHCC in 2005. As a result of the evaluation process, DLS recommended that both commissions be waived from a full evaluation and that their next reviews be in 2017. Further, DLS recommended that both commissions issue reports to the General Assembly on measures they intend to use to reduce various fund balances.

Additional Information

Prior Introductions: None.

Cross File: SB 153 (The President) (By Request – Department of Legislative Services) – Finance.

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

Fiscal Note History: First Reader - January 30, 2006
ncs/jr

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