

Department of Legislative Services
 Maryland General Assembly
 2006 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 336

(Senator Britt, *et al.*)

Education, Health, and Environmental Affairs

Health and Government Operations

**Department of Health and Mental Hygiene - Disease Prevention - Hepatitis C
 Virus**

This bill requires the Department of Health and Mental Hygiene (DHMH), as funds are available, to: • conduct a needs assessment to determine the incidence of Hepatitis C in Maryland; • initiate a statewide Hepatitis C public awareness campaign; • coordinate with other units of State government to activate a Hepatitis C virus plan to educate, test, and treat populations within the units' jurisdiction; • solicit funding from the private sector and federal, State, and local government for Hepatitis C outreach; • fund Hepatitis C virus pilot programs; • review and recommend initiatives to promote advocacy, education, physician outreach, and awareness of Hepatitis C; • assess the feasibility of creating a Hepatitis C Virus Administration in DHMH and examine methods to maximize existing resources to raise awareness of Hepatitis C; and • implement the 2005 report of the Hepatitis C Advisory Council. By December 1, 2006, and annually thereafter, DHMH must report to the Governor and specified legislative committees on its activities.

The bill takes effect July 1, 2006 and terminates December 31, 2009.

Fiscal Summary

State Effect: General fund expenditures could increase by \$775,600 in FY 2007. Future years reflect annualization, inflation, and the activities terminating after the first six months of FY 2010. No effect on revenues.

(in dollars)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	775,600	718,500	740,500	381,700	0
Net Effect	(\$775,600)	(\$718,500)	(\$740,500)	(\$381,700)	\$0

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

Local Effect: Each local health department would receive a \$10,097 DHMH grant (\$242,336 total) in FY 2007 to hire a part-time contractual health nurse to increase Hepatitis C surveillance activities, including testing for the disease and conducting community awareness activities. Grants terminate at the end of the first six months of FY 2010.

Small Business Effect: None.

Analysis

Current Law: Chapter 149 of 2003 established the State Advisory Council on Hepatitis C, which terminated September 30, 2005, to review and recommend changes to the Maryland Hepatitis C Prevention and Control Plan and solicit funds or grants to implement the plan. DHMH was required to staff the advisory council.

Background: Hepatitis C is an inflammation of the liver caused by a virus. The Centers for Disease Control and Prevention (CDC) report that there are an estimated 3.9 million people in the United States who are currently infected with the Hepatitis C virus. Of those, 2.7 million people are chronically infected. There were approximately 25,000 new Hepatitis C infections nationwide in 2001. Of the people infected with Hepatitis C, 80% do not show signs or symptoms of the virus. Hepatitis C symptoms are jaundice, fatigue, dark urine, abdominal pain, loss of appetite, and nausea.

An estimated one-third of Maryland residents ever infected with Hepatitis C are aware of their status, approximately double the proportion aware of their status as recently as 1999, according to the final report of the State Advisory Council on Hepatitis C. Further, the council learned that laboratory support for Hepatitis C screening now is concentrated on the high-risk populations in Maryland. Surveillance principles for accurate categorization and counting of Hepatitis C cases have been clarified and explained to local health department staff. Sensitivity to careful case follow-up led to the detection of a Hepatitis C outbreak affecting several Maryland jurisdictions in 2004.

In its final report, the advisory council made the following recommendations:

- seek funding to develop user-friendly Web resources for Hepatitis C awareness and education for health care professionals and the general public;
- develop recommendations for Hepatitis C screening and treatment and assess compliance of all State and local agencies;

- support a Maryland-specific needs assessment to identify gaps in public awareness and professional education;
- review current surveillance and case follow-up methods and, if needed, seek additional funding for additional professional and/or clerical resources to ensure complete, accurate, and timely case investigation, data entry, and triage of all Hepatitis C reports in Maryland, and ensure all infected residents are aware of their status and how to access health care resources; and
- ensure that a schedule for annual review of the Hepatitis C Prevention and Control Plan is established and that the review includes comments solicited from Hepatitis C cases and health care providers.

State Expenditures: General fund expenditures could increase by an estimated \$775,646 in fiscal 2007, which accounts for the bill's 90-day start-up delay. This estimate reflects: • \$242,336 in grants for local health departments to hire contractual nurses to increase Hepatitis C surveillance activities; • hiring a contractual nurse program administrator to coordinate the needs assessment and awareness campaign and solicit funding from federal and private sources; • hiring a contractual community health educator to develop Hepatitis C screening services and evaluate existing support services; • \$200,000 for a contract with an advertising agency to develop a Hepatitis C public awareness campaign; • \$175,000 for a one-time contract to develop a needs assessment; • \$100,000 annually in printing costs for Hepatitis C educational pamphlets and other printed materials; and • one-time start-up costs and ongoing operating expenses. Expenditures could significantly increase further to implement any Hepatitis C pilot programs which may be developed and implemented as a result of the bill. DHMH states that it would only develop and implement pilot programs if it were successful in obtaining federal and/or private funds to finance them.

Grants to Local Health Departments	\$242,337
Salaries and Fringe Benefits	74,044
Contract to Develop Public Awareness Campaign	200,000
One-time Needs Assessment Contract	175,000
Printed Materials	75,000
Operating Expenses	<u>9,265</u>
Total FY 2007 State Expenditures	\$775,646

Future year expenditures reflect: (1) full salaries with 4.6% annual increases and 6.8% employee turnover; (2) \$200,000 in public awareness campaign advertising costs (including television commercials); (3) \$100,000 annually in printing costs; (4) 1% annual increases in ongoing operating expenses; and (5) activities terminating December 31, 2009.

Additional Information

Prior Introductions: None.

Cross File: HB 342 (Delegate Nathan-Pulliam, *et al.*) – Health and Government Operations.

Information Source(s): Department of Health and Mental Hygiene; *Report of the State Advisory Council on Hepatitis C*, Department of Health and Mental Hygiene, January 2006; Department of Legislative Services

Fiscal Note History: First Reader - February 6, 2006
ncs/jr Revised - Senate Third Reader - March 24, 2006
Revised - Enrolled Bill - April 20, 2006

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