

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

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 1127

(Delegate Mandel, *et al.*)

Health and Government Operations

Education, Health, and Environmental Affairs

**Statewide Commission on the Shortage in the Health Care Workforce**

This bill creates a Statewide Commission on the Shortage in the Health Care Workforce within the Department of Health and Mental Hygiene (DHMH).

The bill takes effect July 1, 2006 and terminates June 30, 2008.

**Fiscal Summary**

**State Effect:** General fund expenditures could increase by \$41,700 in FY 2007 to staff the commission and write the required report. Future year expenditures reflect annualization, inflation, and the commission terminating at the end of FY 2008.

(in dollars)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	41,700	48,000	0	0	0
Net Effect	(\$41,700)	(\$48,000)	\$0	\$0	\$0

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

**Local Effect:** None.

**Small Business Effect:** None.

**Analysis**

**Bill Summary:** The commission must:

- determine the current extent of the health care workforce shortage in Maryland;

- examine what changes are needed to enhance institutional capacity to increase student enrollment and graduation rates and to enhance existing educational and scholarship programs and funding mechanisms to provide incentives for individuals to enter the health care workforce;
- examine what changes are needed within the health care environment to retain workers;
- identify methods to recruit minorities and high school students into the health care workforce, recruit and facilitate the long-term retention of health care workers in rural and underserved areas in Maryland, and facilitate career advancement and retention of health care workers; and
- develop recommendations on, and facilitate the implementation of, strategies to reverse the growing shortage of health care workers in Maryland.

The Secretary of Health and Mental Hygiene must chair and DHMH must staff the commission. To the extent practicable, commission members must reasonably reflect the geographic, racial, ethnic, cultural, and gender diversity of the State.

By January 1 of each year, the commission must report its findings and recommendations to the Governor and the General Assembly.

**Current Law:** Chapter 258 of 2000, which terminated December 1, 2005, established the Maryland Commission on the Crisis in Nursing under the State Board of Nursing. The board continues monitoring the workforce shortage in the State through its Maryland Nursing Workforce Commission, which is not codified in statute.

**Background:** For the past several years, Maryland has been facing severe nursing shortages across the State. If trends in retirement and nursing program enrollment continue, the State's nursing shortage could balloon to more than 17,000 by 2012. In 2000, the Maryland Commission on the Crisis in Nursing was created to address the shortage. The commission identified several reasons for the continuing shortage, including poor workplace conditions. Employers often require uncompensated overtime and work with high patient-to-nurse ratios.

Since 2002, the Governor's Workforce Investment Board has had a Healthcare Workforce Steering Committee examining the current and projected health care industry

workforce demands in Maryland and ways to alleviate the health care workforce shortage.

A 2003 report by the committee offered various recommendations for addressing the health care workforce shortage. Those recommendations included expanding the use of technology to prevent employee stress and medical errors; enhancing workplace culture through mentoring programs for new employees; creating a clearinghouse of training opportunities; expanding career pathway programs; encouraging and educating students in kindergarten through grade 12 to study math and science so they will be prepared to enter health care training opportunities; linking health care scholarships to Maryland employment; and helping transitioning military health care personnel and their spouses in obtaining employment in Maryland's health care industry.

**State Expenditures:** General fund expenditures could increase by an estimated \$41,677 in fiscal 2007, which accounts for a 90-day start-up delay. This estimate reflects the cost of hiring one contractual health policy analyst to staff the commission and write the report. It includes a salary, fringe benefits, one-time start-up costs, travel costs, and ongoing operating expenses.

Positions	1
Salary and Fringe Benefits	\$33,744
Operating Expenses	<u>7,933</u>
<b>Total FY 2007 State Expenditures</b>	<b>\$41,677</b>

Future year expenditures reflect: (1) a full salary with 4.6% annual increases and 6.8% employee turnover; (2) 1% annual increases in ongoing operating expenses; and (3) the commission terminating June 30, 2008.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Health and Mental Hygiene; *Governor's Healthcare Workforce Summit Monograph*, Governor's Workforce Investment Board, 2003; Department of Legislative Services

**Fiscal Note History:** First Reader - February 27, 2006  
mll/ljm Revised - Enrolled Bill - April 27, 2006

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