SB 750

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

Senate Bill 750 (Senator Gladden)
Finance

Hospitals and Nursing Facilities - Health Care-Associated Infections Prevention and Control Program

This bill requires each hospital or nursing facility in the State to establish a health care-associated infections prevention and control program. The Department of Health and Mental Hygiene (DHMH), in consultation with stakeholders, has to develop a system under which (1) hospitals and nursing facilities must report annually on incidents of methicillin-resistant staphylococcus aureus (MRSA) and vancomycin-resistant enterococcus (VRE); and (2) DHMH must submit an annual report on the incidence of MRSA and VRE in hospitals and nursing facilities.

The bill takes effect July 1, 2009.

Fiscal Summary

State Effect: DHMH general fund expenditures increase by $332,400 in FY 2010 to collect, analyze, and report data as required under the bill. Future year estimates reflect annualization and inflation. No effect on revenues.

(in dollars)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Revenues	$0	$0	$0	$0	$0
GF Expenditure	332,400	409,500	429,500	450,400	472,400
Net Effect	($332,400)	($409,500)	($429,500)	($450,400)	($472,400)

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

Local Effect: None.

Small Business Effect: Potential meaningful. Small business nursing facilities may incur additional expenses due to mandatory testing and reporting.

Analysis

Bill Summary: Each health care-associated infection prevention and control program must be based on guidelines prepared by the Society for Health Care Epidemiology of America that requires (1) identification of colonized or infected patients through active surveillance cultures; (2) isolation of identified patients in an appropriate manner; and (3) strict adherence to hand washing and hygiene guidelines.

Uncodified language in the bill requires DHMH, by December 1, 2009, to report to specified standing committees on legislative recommendations to develop the reporting system.

Current Law: The Patients' Safety Act of 2001 (Chapter 318 of 2001) required the Maryland Health Care Commission, in consultation with DHMH, to study the feasibility of developing a system for reducing the incidence of preventable adverse medical events in the State, including a reporting system. There is no requirement to report the types of antibiotic-resistant strains of bacteria required by the bill.

Background: Staphylococcus aureus is a leading cause of bloodstream and other invasive infections. MRSA is bacteria that are resistant to certain antibiotics. Staph infections, including MRSA, occur most frequently among people in hospitals and health care facilities (such as nursing homes and dialysis centers) who have weakened immune systems. Invasive MRSA infections occur in approximately 94,000 persons nationally each year and are associated with approximately 19,000 deaths. Of these infections, about 86% are health care-associated and 14% are community-associated.

VRE infections most often occur in hospitals. Enterococci are bacteria normally present in the human intestines and female genital tract and are often found in the environment, but can cause infections. Vancomycin is an antibiotic often used to treat enterococci infections; however, enterococci are becoming increasingly drug-resistant. VRE was not reported in U.S. hospitals until 1989. Data reported to the Centers for Disease Control and Prevention in 2004 showed that VRE caused about one of every three infections in hospital intensive care units.

South Carolina requires public reporting of hospital-acquired infections, including MRSA bloodstream infections collected more than 48 hours after hospital admission. In 2008, California added certain staph infections (including MRSA) to the list of diseases that must be reported to local health departments. Staph infections that must be reported are those that result in the death or admission to an intensive care unit of a person who has not been hospitalized or had surgery, dialysis, or residency in a long-term care facility in the past year and did not have certain medical devices at the time of culture.

State Fiscal Effect: Approximately 233 nursing homes and 69 hospitals will be required to report to DHMH under the bill. DHMH general fund expenditures increase by $332,374 in fiscal 2010, which accounts for a 90-day start-up delay. This estimate reflects the cost of one computer network specialist, one nurse administrator, one data base specialist, two epidemiologists, and one office secretary to collect, enter, maintain, and analyze the reported data and compile it for required reports. The Community and Family Health Administration will need to purchase and pay an annual maintenance fee for software to collect data from hospitals and nursing facilities. This estimate includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Positions	6
Salaries and Fringe Benefits	$298,569
Operating Expenses	26,305
Software Expenses	7,500
Total FY 2010 State Expenditures	**$332,374**

Future year expenditures reflect (1) annualization; (2) full salaries with 4.4% annual increases and 3% employee turnover; (3) 1% annual increases in ongoing operating expenses; and (4) ongoing contractual expenses for software maintenance.

Additional Information

Prior Introductions: Identical bills have been introduced in the 2008, 2007, and 2006 sessions. SB 102 of 2008, SB 837 of 2007, and SB 535 of 2006 all received an unfavorable report from the Senate Finance Committee. HB 966 of 2006 received an unfavorable report form the House Health and Government Operations Committee.

Cross File: None.

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

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mcp/mwc

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