

Department of Legislative Services
 Maryland General Assembly
 2013 Session

FISCAL AND POLICY NOTE

House Bill 1430 (Delegate Nathan-Pulliam)
 Health and Government Operations

Task Force on Pharmacogenomics

This bill establishes a Task Force on Pharmacogenomics to (1) examine the availability of genomic testing and its application to clinical practice; (2) examine how the State can adopt genomic testing as the standard of care for State residents; (3) determine the possible pharmacoeconomic implications of adopting genomic testing; and (4) determine how health disparities may be reduced with genomic testing. The Department of Health and Mental Hygiene (DHMH) must provide staff for the task force. Members of the task force may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations. By June 30, 2014, the task force must report its findings and recommendations for improvements to the Governor and specified committees of the General Assembly.

The bill takes effect July 1, 2013, and terminates August 30, 2014.

Fiscal Summary

State Effect: General fund expenditures increase for DHMH by an estimated \$52,500 in FY 2014 only to hire a contractor to assist the task force and submit the required report and to provide expense reimbursement to task force members. No effect on revenues.

(in dollars)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	52,500	0	0	0	0
Net Effect	(\$52,500)	\$0	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Background: Pharmacogenomics is the study of how an individual's genetic inheritance affects the body's response to drugs. The term comes from "pharmacology" and "genomics" and represents the intersection of pharmaceuticals and genetics. According to the U.S. Department of Energy's Human Genome Project, pharmacogenomics seeks to create medications that are tailor-made for each person's own genetic makeup. Pharmacogenomics may lead to more powerful medications targeted to specific diseases, enhanced drug safety and a reduction in adverse drug responses, more accurate methods of determining appropriate drug dosages, advanced screenings for diseases, better vaccines, improvements in the drug discovery and approval process, and decreases in the overall cost of health care.

State Fiscal Effect: Given the complexity of the issues to be addressed by the task force and the timeframe for the completion of the report, contractual services are required to implement the bill. Thus, general fund expenditures for DHMH increase by an estimated \$52,500 in fiscal 2014, primarily to pay one contractor to assist the task force and write the required report. This amount also includes an estimated \$2,500 to reimburse the 16 members of the task force for expenses, as authorized under the bill.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): U.S. Department of Energy Human Genome Project, Department of Health and Mental Hygiene, Department of Legislative Services

Fiscal Note History: First Reader - March 22, 2013
mm/ljm

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