

Department of Legislative Services
 Maryland General Assembly
 2007 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 283

(Senators Middleton and Dyson)

Finance

Health and Government Operations

Charles County Prostate Cancer Pilot Program

This bill establishes the Charles County Prostate Cancer Pilot Program to fund prostate cancer screening and treatment and provide prostate cancer education to men in Charles County.

The bill terminates September 30, 2010.

Fiscal Summary

State Effect: General fund expenditures would increase by \$82,700 in FY 2008 to establish and implement the pilot program. Future years reflect annualization, inflation, and the bill's September 30, 2010 termination date. No effect on revenues.

(in dollars)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	82,700	111,700	116,300	30,300	0
Net Effect	(\$82,700)	(\$111,700)	(\$116,300)	(\$30,300)	\$0

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

Local Effect: Revenues and expenditures for the local health department in Charles County could increase from the grant under the bill.

Small Business Effect: None.

Analysis

Bill Summary: The program is open to uninsured or economically challenged men at least 50 years old and uninsured or economically challenged men at least 35 years old but under the age of 50 at the request of the individual or on advice of the individual's physician. The program will provide prostate cancer screening, referral services, treatment services, and outreach and education activities.

The program must be funded as provided in the State budget. The Department of Health and Mental Hygiene (DHMH) is required to distribute grants to administer the program to the local health department or a federally qualified health center in Charles County.

DHMH must report by September 1, 2010, on the number of individuals screened and treated by the program, including racial and ethnic data on the individuals, and to the extent possible any cost savings achieved by the program as a result of early detection of prostate cancer.

Uncodified language authorizes the local health officer in Charles County to establish an advisory committee to oversee the grant process and community outreach and education effort.

Current Law/Background: A Charles County Prostate Cancer Pilot Program does not exist under statute.

Insurance carriers must provide coverage for medically recognized diagnostic examinations for prostate cancer, including a Digital Rectal Examination and a Prostate-Specific Antigen (PSA) blood test: • for men between 40 and 75 years of age; • when used for patient management in monitoring the response to prostate cancer treatment; • when used for staging in determining the need for a bone scan in prostate cancer patients; and • for men at high risk for prostate cancer. Prostate cancer is one of seven targeted cancers identified as priorities under the Cigarette Restitution Fund Program. Counties were initially directed to focus on colorectal cancer; most smaller jurisdictions have not had sufficient funding to expand their programs to additional cancers. Six jurisdictions currently screen for prostate cancer; none are located in Southern Maryland.

Prostate cancer is the most common reportable cancer among men and the second leading cause of cancer death among men after lung cancer. In Maryland in 2002, 4,294 cases of prostate cancer were diagnosed and 570 men died of prostate cancer (5.5% of all cancer deaths in Maryland). Between 1998 and 2002, Maryland had the tenth highest mortality rate for prostate cancer among the states and the District of Columbia. Prostate cancer statistics for Southern Maryland jurisdictions are shown below.

**Maryland Cancer Registry:
Prostate Cancer in Charles County, 2002**

Cases	68
Deaths	6
Age-adjusted Incidence Rate Per 100,000	140.4

African American men consistently experienced prostate incidence rates above those of white men and prostate cancer mortality rates for African American men consistently exceeded corresponding rates for white men from 1998 to 2002.

State Fiscal Effect: General fund expenditures could increase by \$82,659 in fiscal 2008, which reflects the bill’s October 1, 2007 effective date. This estimate includes the hiring of one full-time community health nurse and a grant of approximately \$49,000 in fiscal 2008.

Grant to Charles County	\$49,022
Salary and Fringe Benefits	33,037
Other Operating Expenses	<u>600</u>
Total	\$82,659
Contractual Positions	1

Each full-year grant would fund screening, diagnosis, and treatment expenses to:

- screen 200 individuals at a cost of \$93.22 each;
- provide additional diagnostic tests to 26 individuals at a cost of \$527.62 each (assuming 13% of men screened would have an abnormal result) ; and
- treat 3 men for prostate cancer at a cost of \$11,000 each (assuming 13% of men with abnormal results are diagnosed with cancer).

Future years reflect: (1) annualization; (2) 4% inflation for screening, diagnosis, and treatment expenses; (3) a 4.5% annual salary increase and 6.8% turnover for the contractual employee; (4) 1% inflation for other administrative expenses; and (5) the program’s September 30, 2010 termination date.

As the source of funding for the pilot program is not specified, it is assumed that general funds would be used. However, to the extent they are available, special funds from the Cigarette Restitution Fund could be used for this purpose. However, in the Governor's proposed fiscal 2008 budget all monies available for this purpose have already been allocated.

Local Fiscal Effect: Revenues for the Charles County health department could increase by \$49,000 in fiscal 2008, \$68,000 in fiscal 2009, \$70,700 in fiscal 2010, and \$18,400 in fiscal 2011. Expenditures would increase correspondingly.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): *Cancer Report 2006*, Cigarette Restitution Fund Program, Cancer Prevention, Education, Screening and Treatment Program, Department of Health and Mental Hygiene (September 2006); *Overview: Prostate Cancer*, American Cancer Society, May 2, 2006; Department of Legislative Services

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