

Department of Legislative Services
 Maryland General Assembly
 2007 Session

FISCAL AND POLICY NOTE

House Bill 8 (Delegates Haynes and Kirk)
 Health and Government Operations

Maryland Health Care Commission - Atlantic C-PORT II Trial: Non-Primary Percutaneous Coronary Intervention Study

This bill requires the Maryland Health Care Commission (MHCC) to grant a waiver from the requirement for on-site cardiac surgery for hospitals participating in the Atlantic Cardiovascular Patient Outcomes Research Team (C-PORT) II Trial: Non-Primary Percutaneous Coronary Intervention Study. The waiver must be granted by October 1, 2007. Uncodified language requires MHCC to report to the Governor and specified committees on the findings of the Atlantic C-PORT II Trial by January 1, 2010.

The bill takes effect June 1, 2007 and terminates May 31, 2010.

Fiscal Summary

State Effect: MHCC special fund expenditures and revenues could increase by \$117,000 annually in FY 2008 through 2010 to gather and analyze data and provide the required report. Granting the required waiver could be handled with existing MHCC budgeted resources.

(in dollars)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
SF Revenue	\$117,000	\$117,000	\$117,000	\$0	\$0
SF Expenditure	117,000	117,000	117,000	0	0
Net Effect	\$0	\$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

Current Law: MHCC must issue a Certificate of Need (CON) before a health care facility may be built, developed, or established in the State. A CON is also required for any capital expenditures to add a new medical service to an existing facility or to change the type or scope of any health service offered by an existing facility. A CON is the primary method for implementing the State health plan and is generally required for capital expenditures, additions, or modifications to existing facilities or services, and new services. The basis for approval of a CON is need, as determined in the State health plan.

A CON is required to establish an open heart surgery service.

Background: The Atlantic C-PORT II Trial is taking place in other states. MHCC must grant a waiver to permit a Maryland hospital to participate. In 1996, a predecessor agency of MHCC approved a waiver from the requirement for on-site cardiac surgical backup for the Atlantic C-PORT project to permit a small number of Maryland hospitals to participate in a research study to evaluate the safety and efficacy of providing primary (*i.e.*, emergency) percutaneous coronary intervention (PCI) services in hospitals without on-site cardiac surgery versus thrombolytic therapy for the treatment of acute myocardial infarction.

In 2004, MHCC updated its State health plan for cardiac surgery to allow MHCC to consider a waiver from the requirement for on-site cardiac surgery for a well-designed, peer-reviewed research proposal to study the safety of elective PCI services in hospitals without on-site cardiac surgery. MHCC established a Research Proposal Review Committee with the charge to review and make recommendations on the design and implementation of the proposed research study. The committee reviewed a proposal, nicknamed “Atlantic C-PORT II” and recommended that MHCC not approve it. The proposal was withdrawn before MHCC could act on it. A revised proposal was resubmitted in 2006 and is currently under review by the committee.

State Fiscal Effect: MHCC special fund expenditures could increase by \$117,000 annually in fiscal 2008 through 2010 to hire a consultant to gather and audit data from and analyze the findings of the Atlantic C-PORT II Trial. The report would require statistical analysis, data processing, and related data management and analysis.

MHCC special fund revenues would also increase by the same amount in fiscal 2008 through 2010. MHCC is special funded by user fees imposed on payors and providers.

As a result of the increased expenditures, MHCC would increase user fees by an equal amount to offset estimated expenditures.

Additional Comments: MHCC is requesting one full-time contractual health policy analyst – advanced to oversee and manage the contract. This position would also incorporate the findings of the Atlantic C-PORT II Trial and establish related policies regarding CON rules, review standards, and need methodology. The cost of hiring one Grade 18 contractual position to perform these duties, including salary, fringe benefits, one-time start-up costs, and ongoing expenses would be \$53,787 in fiscal 2008, which accounts for the bill’s June 1, 2007 effective date.

Legislative Services disagrees with this assessment as the bill does not specifically require that these additional functions be performed. The bill requires only that MHCC report to the Governor and specified committees on the findings of the Atlantic C-PORT II Trial.

Additional Information

Prior Introductions: This bill is substantially similar to HB 1679 and SB 1027 of 2006. No action was taken on those bills.

Cross File: None.

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

Fiscal Note History: First Reader - February 7, 2007
bfl/jr

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