

Department of Legislative Services
 Maryland General Assembly
 2008 Session

FISCAL AND POLICY NOTE

House Bill 773 (Delegate Robinson, *et al.*)
 Health and Government Operations

Office of Health Care Quality - Provider Hotline

This bill requires the Office of Health Care Quality to establish a toll-free provider hotline.

Fiscal Summary

State Effect: OHCQ general fund expenditures could increase by \$239,400 in FY 2009 to establish and staff the hotline. Future years reflect annualization and inflation. No effect on revenues.

(in dollars)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	239,400	295,600	309,800	324,800	340,600
Net Effect	(\$239,400)	(\$295,600)	(\$309,800)	(\$324,800)	(\$340,600)

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

Local Effect: Minimal to none.

Small Business Effect: Minimal to none.

Analysis

Bill Summary: The stated purpose of the hotline is to • inform providers regulated by OHCQ about the services OHCQ offers; • assist providers in obtaining licensure or certification; and • provide an opportunity for providers to comment on the services provided by OHCQ. The hotline must be available during business hours and allow callers to leave a message during nonbusiness hours.

OHCQ must • notify all regulated providers about the hotline; • develop a methodology to track the number and type of calls received; and • submit an annual report that summarizes calls received.

Current Law/Background: All hospitals and health-related institutions in Maryland must be licensed by OHCQ. In total, OHCQ regulates more than 40 categories of providers, including • assisted living programs; • community mental health programs; • adult medical day care; • developmental disabilities programs; • freestanding ambulatory care facilities; • home health agencies; • hospice agencies; • hospitals; • medical laboratories; • nursing homes; and • substance abuse treatment programs. OHCQ monitors quality of care and compliance with State and federal regulations in 8,000 facilities and services and conducts more than 10,000 inspections annually. OHCQ is responsible for inspection and certification recommendations for all health facilities participating in Medicaid and Medicare. OHCQ initiates administrative action against facilities that violate State rules and regulations.

Over the past several fiscal years, OHCQ has experienced an increase in its workload without receiving additional resources. According to OHCQ's December 2007 Annual Report and Staffing Analysis, in fiscal 2008 it faces a staffing deficit of 67 positions. This deficit does not include the need for additional administrative or support personnel to sustain licensure, certification, survey, and inspection activities.

OHCQ offers current and prospective providers a “walk-in assistance policy” to assist with questions about the licensure process. OHCQ receives walk-in visitors on Tuesdays, Wednesdays, and Fridays during business hours and provides consultation by appointment only on Mondays and Thursdays. Toll-free telephone numbers are also available to reach the units responsible for licensure of hospitals, nursing home/adult day care, assisted living, laboratories, freestanding ambulatory care facilities, programs for the developmentally disabled, substance abuse programs, and community mental health programs.

The bill is modeled after the Maryland Pharmacy Access Hotline that provides information to Medicaid recipients and providers.

State Expenditures: OHCQ general fund expenditures could increase by an estimated \$239,361 in fiscal 2009, which accounts for the bill's October 1, 2008 effective date. This estimate reflects the cost of hiring four regular full-time health facility surveyors, one in each major program area regulated by OHCQ to staff the hotline. One quarter-time contractual administrative position would complete the reporting requirements each year. The estimate includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Positions	4.25
Salaries and Fringe Benefits	\$202,514
Operating Expenses	31,020
Contractual Employee Salary and Fringe Benefits	<u>5,827</u>
Total FY 2009 State Expenditures	\$239,361

Future year expenditures reflect • annualization; • full salaries with 4.4% annual increases and 3% employee turnover for regular positions; • 4.4% annual increases and 6.8% employee turnover for the one-quarter contractual position; and • 2% annual increases in ongoing operating expenses.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 28, 2008
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