

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 1081

(Senator Madaleno, *et al.*)

Budget and Taxation

Health and Government Operations

Health - Family Planning Services - Continuity of Care

This bill establishes a Family Planning Program in the Department of Health and Mental Hygiene (DHMH) to ensure the continuity of family planning services in the State. Program funding must be in addition to any funding applied by DHMH before December 31, 2016, to the maintenance of effort (MOE) requirement for federal funding under Title X of the federal Public Health Service Act. DHMH must, to the extent permitted, subject to the limitations of the State budget, ensure access to and the continuity of services provided by family planning providers that were Medicaid family planning providers as of December 31, 2016, and were discontinued as recipients of federal funding because of the scope of services offered by the provider or for which the provider offered referrals. DHMH must ensure such access by (1) reimbursing for the Medicaid services provided and (2) establishing Medicaid requirements for family planning providers that are similar to requirements for other providers of the same services, do not prohibit a provider from offering a service within the provider's scope of practice, and do not limit the scope of services for which a provider may offer referrals.

The bill takes effect July 1, 2017.

Fiscal Summary

State Effect: To the extent family planning providers lose eligibility for Title X funding, DHMH general fund expenditures increase by an indeterminate but potentially significant amount to continue to fund those providers. Total Title X federal funding to Maryland is approximately \$4.0 million annually. Any sliding scale fees under the program are collected by providers to offset the cost of services; thus, revenues are not affected.

Local Effect: Local health department funding remains unchanged.

Small Business Effect: Minimal.

Analysis

Bill Summary: “Family planning providers” means providers of services (1) funded under Title X as of December 31, 2016, and (2) that lost eligibility for Title X funding as a result of the termination of federal funding for providers because of the scope of services offered by the providers or the scope of services for which the providers offer referrals. “Family planning services” means services provided under Title X as of December 31, 2016.

The program must provide family planning services to individuals eligible for such services through family planning providers that meet program requirements. DHMH may adopt regulations to implement the program, including regulations establishing a sliding scale fee for services provided under the program.

Current Law/Background:

Title X Family Planning Program

Title X is the only federal program dedicated to the provision of family planning and related preventive health services. Projects funded by Title X grants must offer a broad range of acceptable and effective contraceptive methods and related services on a voluntary and confidential basis. Title X services include the delivery of related preventive health services, including patient education and counseling; cervical and breast cancer screening; sexually transmitted infection (STI) and human immunodeficiency virus prevention education, testing, and referral; and pregnancy diagnosis and counseling. Under federal law, Title X funds may not be used for abortion care.

Title X serves all individuals in need, with a focus on low-income, underinsured/uninsured, hard-to-reach, and/or vulnerable populations who lack access to health care and are at risk of unintended pregnancy. Currently, any public or nonprofit private entity may apply for a Title X grant.

DHMH provides family planning services through the Maryland Title X Family Planning Program. This program provides free or sliding scale fee-for-service family planning services to women who are ineligible for Medicaid family planning services through local health departments, community health centers, Planned Parenthood clinics, and other providers.

According to DHMH, Title X prevention efforts reduce unintended pregnancies, reproductive cancers, and STIs. In 2014, Maryland’s Title X program was estimated to

have prevented 15,000 unintended pregnancies (including 3,200 teen pregnancies), 1,490 preterm or low birth-weight births, and 1,018 STIs.

The fiscal 2018 operating budget includes \$9.9 million (\$6.0 million in general funds and \$3.9 million in federal funds) for the Title X Family Planning Program, which serves approximately 71,000 Maryland women at more than 75 clinical sites. The \$6.0 million in general funds are provided to satisfy the federal MOE requirement.

Medicaid Family Planning Services

Family planning is a mandatory Medicaid benefit. Medicaid enrollees, whether enrolled in a HealthChoice managed care organization or the fee-for-service program, receive family planning, prenatal services, and gynecological services. According to DHMH, there were 101,353 family planning users in the HealthChoice program as of December 2016. Total HealthChoice family planning expenditures were \$33.7 million (total funds) in calendar 2015.

Medicaid also provides a Family Planning Waiver Program, which is a limited benefit program that covers only family planning services. The waiver program is open to women (1) with incomes at or below 200% of federal poverty guidelines; (2) who are younger than age 51; (3) who are a U.S. citizen or qualifying alien residing in Maryland; and (4) who are not already enrolled in Medicaid or Medicare. According to DHMH, there were 9,657 individuals enrolled in the waiver program as of December 2016. Total waiver program expenditures for fiscal 2016 were \$3.2 million (total funds). Enrollment in the waiver program has declined significantly since the expansion of Medicaid eligibility under the federal Patient Protection and Affordable Care Act.

Congressional Activity and Other State Action

Several proposals have been put forward in the U.S. Congress that would alter the ability of certain family planning providers, in particular Planned Parenthood, to receive Title X funding or participate in Medicaid.

The proposed budget bill introduced by the Governor of Connecticut includes language stating that, if any family planning clinic is no longer eligible to receive federal matching funds or if federal law restricts the rights of a Medicaid recipient to obtain services from a family planning clinic, services that are otherwise covered by Medicaid may be funded by the state. In order to receive state funding, family planning clinics must meet the Connecticut Department of Social Services' requirements for participation and enrollment in the Medicaid program. Family planning clinics must continue to be reimbursed by the department in accordance with the department's family planning clinic fee schedule.

Additional Information

Prior Introductions: None.

Cross File: HB 1083 (Delegate Pendergrass, *et al.*) - Health and Government Operations.

Information Source(s): U.S. Department of Health and Human Services; Department of Health and Mental Hygiene; Department of Legislative Services

Fiscal Note History: First Reader - March 6, 2017
md/ljm Third Reader - April 4, 2017
Revised - Amendment(s) - April 4, 2017
Revised - Budget Information - April 4, 2017

Analysis by: Jennifer B. Chasse

Direct Inquiries to:
(410) 946-5510
(301) 970-5510