

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7530**

**BILL NUMBER:** SB 343

**NOTE PREPARED:** Apr 14, 2003

**BILL AMENDED:** Apr 10, 2003

**SUBJECT:** Disease Management and Chronic Disease Registry.

**FIRST AUTHOR:** Sen. Miller

**FIRST SPONSOR:** Rep. C. Brown

**BILL STATUS:** As Passed - House

**FUNDS AFFECTED:**  GENERAL  
 DEDICATED  
 FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill specifies authority to determine initial placement designations in mental health facilities.

The bill also removes HIV and AIDS and population parameters from the state's Disease Management Program and adds hypertension to the program. It sets implementation dates for the statewide program.

The bill creates a chronic disease registry administered by the State Department of Health.

The bill also provides for testing and notification to an emergency medical services provider who has potentially been exposed to a dangerous communicable disease.

**Effective Date:** Upon passage; July 1, 2003.

**Explanation of State Expenditures:** (Revised) This bill contains four provisions: (1) initial placement designations; (2) disease management program revisions, (3) chronic disease registry establishment, and (4) exposure of emergency medical services providers.

*(1) Initial Placement Designations:* This provision exempts FSSA from having a licensed psychiatrist or psychologist make a placement determination for forensic mental health placements. This provision does not represent a fiscal impact to the agency. The FSSA currently has 47 psychiatrist and psychologist positions in the manning table (as of March 4, 2003). There are 26 vacancies among these positions.

*(2) Disease Management Program:* The Disease Management Program is for Medicaid recipients that are

not enrolled in the risk-based managed care program. Family and Social Services Administration staff state that the pilot program can be done with current resources and no additional fiscal impact. Costs associated with program evaluation, modification, and statewide rollout are not known at this time. However, it is expected that the program evaluation can be performed with existing staff and resources. Implementation of the disease management program may reduce total medical expenditures in the long-term after initial start-up costs. However, the extent of these costs and savings may not be known until the program is implemented. FSSA staff state that the disease management program for congestive heart failure should produce savings in approximately six months, and the program for diabetes should result in savings in approximately 18 months. Savings associated with hypertension are not known at the current time.

This bill also removes HIV and AIDS from the state disease management program. Agency staff state the complexity and individual characteristics of these make these two diseases unfit for a universal management program. The treatment for these two diseases is customized to the individual's symptoms and needs. These diseases would still be eligible for case management. No cost or savings is associated with this provision as the disease management program never fully incorporated treatment for these two diseases.

*(3) Chronic Disease Registry:* The State Department of Health shall develop a chronic disease registry with the cooperation of the Office of Medicaid Policy and Planning. Department of Health staff state that the costs of the chronic disease registry are undeterminable at this time. The Department may adopt rules to implement this program. Department staff state that the registry will not be implemented until FY 2005. The cost of the program is unknown. The bill states that certain medical professionals may report cases of chronic disease to the registry.

*(4) Exposure of Emergency Medical Services Providers:* The fiscal impact of this provision is indeterminate due to the unpredictable nature of the circumstances that could become cost factors in an individual incident. However, if emergency providers adhere to universal precautions, exposure to blood or other infectious body fluid should rarely occur. The bill allows the exposed emergency medical services provider, their employer, or the State Department of Health to arrange for testing of a patient if the patient is not located in a facility. The circumstances of the provider's exposure would determine the cost of this provision. The patient may be from out of state, may have given false information, or may be homeless; all factors that might make finding the individual difficult. The bill specifies that the exposed emergency medical services provider or their employer is responsible for assuming the cost of the laboratory testing, or treatment and counseling.

*Background on Disease Management:* Disease management refers to the process of a physician managing a patient's disease (such as asthma or epilepsy) on a long-term, continuing basis, rather than treating a single episode. Disease management is intended to improve patient care as well as save costs by seeing that the patient's condition is well managed.

For FY 2001 the combined pool for disease management and case management was approximately 87,000 individuals. Of these, diabetes, asthma, and congestive heart failure comprised approximately 56,000 cases, and AIDS cases totaled 1,051. This bill requires that all chronic diseases, not just those treated under Medicaid disease management programs, are included on the list.

*Background on Exposure of Emergency Medical Services Providers:* Current law requires that an emergency medical services provider can request to be notified of the results of any testing that may be in the patient's medical record or performed later by filing a form with the provider's employer and the State Department of Health. The Department reports the following information regarding the number filed of the "Report of Blood or Body Fluid Exposure, Dangerous Communicable Disease Notification for Emergency Response

Medical Care Providers”.

| <b>Year</b>  | <b>Reports Filed</b> |
|--------------|----------------------|
| 1995         | 249                  |
| 1996         | 135                  |
| 1997         | 141                  |
| 1998         | 130                  |
| 1999         | 41                   |
| 2000         | 39                   |
| 2001         | 8                    |
| 2002 to date | 11                   |

In instances of potential exposure, the current protocols recommend post-exposure prophylaxis to begin from 2 to 36 hours from the time of the exposure depending upon the infectious disease suspected. This bill would not affect the recommended provision of post-exposure prophylaxis. If the exposure occurred in a facility and the patient is subsequently admitted or still physically present, the facility is required to obtain a blood or body fluid specimen and perform the testing. The bill eliminates the option of reviewing the patient’s medical record to determine if earlier laboratory results have determined the patient has a disease that meets the requirements of this bill.

This bill adds provisions dealing with circumstances that involve a patient who is not present at a facility or refuses to be tested. The bill contains a provision that mandates the patient’s implied consent to testing and the release of the results to specified medical personnel in the circumstance of exposure of an emergency medical provider. If the patient refuses to be tested, the bill allows the provider, his employer, or the State Department of Health to petition a court for an order requiring the patient to provide a specimen for testing.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** See *Explanation of State Expenditures*.

**Explanation of Local Revenues:**

**State Agencies Affected:** Family and Social Services Administration, State Department of Health.

**Local Agencies Affected:** County Circuit or Superior Courts.

**Information Sources:** Amy Kruzan, Legislative Director, Family and Social Services Administration, 317-232-1149; Melanie Bella, Assistant Secretary, OMPP, Family and Social Services Administration, 317-233-4451; Zach Cattell, Legislative Director, State Department of Health, 317-232-2170; *Health Care Glossary of Terms & Definitions*, The Understanding Business Press; Zach Cattell, Legislative Liaison for the State Department of Health, (317) 233-2170. “Infectious Disease Exposure Manual for

Emergency Response Employees” prepared by the Indiana State Department of Health Review Panel on Bloodborne Pathogens, in cooperation with the State Emergency Management Agency at <http://www.in.gov/isdh/publications/pubs/emermanu.htm0>.

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