

Department of Legislative Services
 Maryland General Assembly
 2020 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 1140 (Delegate Charles)
 Health and Government Operations

Health - Mobile Response and Stabilization System for Children and Families in Maryland - Study

This bill requires the Maryland Department of Health (MDH) and the Governor’s Commission to Study Mental and Behavioral Health in Maryland to undertake a series of specified tasks, including reviewing data, developing specified methods, studying existing mobile response efforts and financing models, examining specified payment mechanisms, and seeking input from interested stakeholders, in order to develop and implement a comprehensive mobile response and stabilization system (MRSS) for children and families. MDH and the commission must develop a plan to implement a statewide MRSS by July 1, 2022. By December 1, 2020, MDH and the commission must submit specified findings and recommendations to the Senate Finance Committee and the House Health and Government Operations Committee. **The bill takes effect June 1, 2020.**

Fiscal Summary

State Effect: General fund expenditures increase by \$44,300 in FY 2020 and \$196,100 in FY 2021 for staff and contractual services. This estimate does not account for any costs associated with implementation of the plan. Revenues are not affected.

(in dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	44,300	196,100	0	0	0
Net Effect	(\$44,300)	(\$196,100)	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background:

Mobile Response and Stabilization System

According to the Substance Abuse and Mental Health Services Administration (SAMHSA), MRSS is designed to intercede in urgent behavioral situations, before such situations become unmanageable emergencies. Such programs are intended to avert unnecessary emergency department visits, out-of-home placements, and placement disruptions, with the intention of reducing overall system costs. SAMHSA identifies MRSS as a viable alternative to acute care and residential treatment because MRSS programs demonstrate cost-savings while improving outcomes.

Commission to Study Mental and Behavioral Health in Maryland

Established by [Executive Order 01.01.2019.06](#), the Commission to Study Mental and Behavioral Health in Maryland is tasked with studying mental health, including access to mental health services and the link between mental health and substance use disorders. The commission includes representatives from each branch of State government, with representatives from the departments of Health, Public Safety and Correctional Services, Human Services, and State Police; the Maryland Insurance Administration; the Opioid Operational Command Center; and six members of the public with experience related to mental health. In the commission's [2019 report](#), the commission found that crisis services are an integral part of the health care system and critical to patients and families in need. The commission recommended that the State design a comprehensive crisis system and noted that the State should identify the most critical crisis services that should be available to residents at the county and regional levels.

State Expenditures: MDH general fund expenditures increase by at least \$44,329 in fiscal 2020, which accounts for the bill's June 1, 2020 effective date. This estimate reflects the cost of hiring one contractual health policy analyst and contracting with a subject matter expert (for a total cost of \$200,000) to perform the tasks required under the bill, including data analysis, studying the costs and cost-savings associated with building an MRSS, and preparing the required plan. It includes a salary, fringe benefits, contractual costs, one-time start-up costs, and ongoing operating expenses. MDH expenditures increase by \$196,082 in fiscal 2021, which reflects a full salary and fringe benefits through December 1, 2020, when the contractual position terminates, as well as the remainder of the contractual costs.

	<u>FY 2020</u>	<u>FY 2021</u>
Contractual Position	1	(1)
Salary and Fringe Benefits	\$6,055	\$29,148
Contractual Costs for Subject Matter Expert	33,333	166,667
One-time Start-up Costs	4,890	0
Operating Expenses	<u>51</u>	<u>267</u>
Total MDH Expenditures	\$44,329	\$196,082

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State's implementation of the federal Patient Protection and Affordable Care Act.

Additional Comments: While the bill does not require implementation of a comprehensive statewide MRSS, MDH advises that implementation is estimated to roughly cost between \$21.6 million and \$27.7 million, with between a 65% and 68% federal match, for the period fiscal 2022 through 2025. The estimated State share of these costs is between \$6.9 million and \$9.7 million for the period fiscal 2022 through 2025.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 624 (Senator Benson, *et al.*) - Finance.

Information Source(s): Governor's Office; Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - February 16, 2020
rh/jc

Analysis by: Hillary J. Cleckler

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