

**Department of Legislative Services**  
 Maryland General Assembly  
 2008 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 450 (Delegates Hammen and Nathan-Pulliam)  
 Health and Government Operations

Finance

**Department of Health and Mental Hygiene - Behavioral Health and Disabilities**

This bill transfers the Alcohol and Drug Abuse Administration, the Developmental Disabilities Administration, and the Mental Hygiene Administration from the authority of the Deputy Secretary for Public Health Services to a new Deputy Secretary for Behavioral Health and Disabilities, the appointment of which is also established under the bill. The bill codifies the titles of the three existing deputy secretaries. The bill requires the development of a coordinated system of individualized services in the most integrated setting for individuals with co-occurring disorders. It also requires the Secretary of Health and Mental Hygiene to (1) address systems change so that it best serves individuals with co-occurring disorders; and (2) identify and implement individualized treatment and supports that are consistent with standards and best practices from each discipline. The Secretary has to report to the Governor and General Assembly regarding the implementation of the bill by January 1, 2009.

The bill takes effect July 1, 2008.

**Fiscal Summary**

**State Effect:** General fund expenditures could increase by \$121,900 in FY 2009 related to the costs of one additional deputy secretary to oversee MHA, DDA, and ADAA. 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	121,900	160,100	167,500	175,300	183,400
Net Effect	(\$121,900)	(\$160,100)	(\$167,500)	(\$175,300)	(\$183,400)

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

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Current Law:** The Secretary of Health and Mental Hygiene has to appoint three deputy secretaries with the approval of the Governor. Deputy secretaries serve at the pleasure of the Secretary, are entitled to the salary provided in the State budget, and have the duties provided by law or delegated by the Secretary.

**Background:** The Deputy Secretary of Public Health Services oversees • the AIDS Administration; • ADAA; • Anatomy Board; • Community Health Administration; • DDA; • Family Health Administration; • Laboratories Administration; • Mental Hygiene Administration; • Office of the Chief Medical Examiner; and • Office of Preparedness and Response. The two other existing deputy secretaries within DHMH are the Deputy Secretary for Health Care Financing and the Deputy Secretary for Operations.

**State Fiscal Effect:** General fund expenditures could increase by \$121,949 in fiscal 2009 which reflects a three-month delay after the July 1, 2008 effective date. This estimate reflects the cost of appointing an additional Deputy Secretary for Behavioral Health and Disabilities, who will oversee ADAA, DDA, and MHA. The estimate includes a salary, fringe benefits, one-time start up costs, and ongoing operating expenses.

Positions	1
Salary and Fringe Benefits	\$117,906
Operating Expenses	383
Start-up Costs	<u>3,660</u>
Total	\$121,949

Future years reflect • a full salary with 4.4% annual increases and 3% employee turnover; and • annual increase in operating expenses.

Although there is no money in the Governor's proposed fiscal 2009 budget for this position, DHMH advises that funding may be included in a supplemental budget request.

## **Additional Information**

**Prior Introductions:** None.

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

**Fiscal Note History:** First Reader - February 22, 2008  
mcp/ljm Revised - House Third Reader - March 21, 2008

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