

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

**FISCAL AND POLICY NOTE**

House Bill 1262 (Delegate Hucker, *et al.*)  
Health and Government Operations

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**Department of Health and Mental Hygiene - Behavioral Health Services for  
Veterans of War in Iraq or Afghanistan**

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This bill requires the Department of Health and Mental Hygiene to establish a program to provide behavioral health services to veterans of the Iraq and Afghanistan conflicts who have resided in Maryland for at least six months and been denied benefits by the U.S. Veterans Administration for a reason relating to substance abuse or mental illness. The behavioral health services may be provided through • the public mental health system; • alcohol and drug abuse treatment programs and facilities that receive State funding; • or another appropriate mechanism. DHMH must work with the Department of Veterans Affairs and advocacy organizations to identify veterans of the Iraq and Afghanistan conflicts in need of benefits provided by the program.

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**Fiscal Summary**

**State Effect:** While general fund expenditures in FY 2009 and future years could increase significantly, a reliable estimate cannot be made at this time. No effect on revenues.

**Local Effect:** Potentially meaningful impact on locally funded public mental health and addiction services that would otherwise absorb some of the veterans served. However, if local core services agencies were involved in service delivery as a result of the bill, local expenditures could increase.

**Small Business Effect:** None.

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## Analysis

**Current Law:** Eligibility for VA health care benefits is determined at the federal level and is based on active military service in the Army, Navy, Air Force, Marines, or Coast Guard. Most of the nation's veterans are eligible for some VA health care services if they choose to enroll and were discharged under conditions other than dishonorable. Enrolled veterans are assigned to one of eight priority levels based on their service-connected disabilities, income levels, and other factors.

**Background:** Nationwide, the Veterans Health Administration provides • general inpatient psychiatric services in 132 medical centers; • mental health outpatient services in 689 medical centers and community-based outpatient clinics; and • readjustment counseling services at 209 veterans' centers. According to VA, about one-third of the combat veterans returning from Iraq and Afghanistan who seek care from VA have a possible diagnosis of a mental disorder. As of November 2006, VA reported that of the 205,000 veterans returning from Iraq and Afghanistan who have sought VA health care since fiscal 2002, 73,157 patients received a possible mental health disorder diagnosis. In addition, combined 2004 to 2006 data from the National Survey on Drug Use and Health indicate that an annual average of 7.1% of veterans age 18 or older had some sort of substance use disorder.

In 2008, DHMH estimates that 15,000 veterans of Iraq and Afghanistan will reside in Maryland. Of these 15,000, an estimated 5,000 will have mental health and/or substance abuse problems. In Maryland, the VA health care system provides mental health services at all VA medical centers, outpatient clinics, and nursing homes in Maryland. Facilities include Perry Point VA Medical Center, Baltimore VA Medical Center, Baltimore VA Rehabilitation and Extended Care Center, and nine community-based outpatient clinics throughout the State. Clinics are located in Cambridge, Fort Howard, Glen Burnie, Loch Raven, Pocomoke City, Charlotte Hall, Cumberland, Greenbelt, and Hagerstown. In addition, five VA centers offer readjustment counseling and outreach services in Aberdeen, Baltimore, Cambridge, Elkton, and Silver Spring.

The Department of Veterans Affairs advises that 4,345 veterans of the Iraq and Afghanistan conflicts are enrolled with the VA health care system in the State. In addition, the department advises that it does not have a waiting list for any veteran to receive mental health services, and has no way of tracking the number of veterans who have mental health disorders or are receiving mental health services.

Recent news stories have reported on veterans who were dishonorably discharged from the military for reasons related to substance abuse or other delinquent behavior that the veterans claim was actually a manifestation of Post-Traumatic Stress Disorder. Since

dishonorably discharged veterans cannot access VA health benefits, these veterans cannot receive treatment for their PTSD and believe that they are being unfairly treated by VA.

**State Fiscal Effect:** Legislative Services advises that expenditures would vary substantially depending on the depth of the program developed by DHMH and the number of veterans identified as needing services. DHMH advises that the program could serve an estimated 1,800 veterans under the program annually. Under the 1,800 assumption, fiscal 2009 and future year expenditures could increase significantly if DHMH offered a robust program, possibly reaching millions of dollars annually

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

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