

HB 984

Department of Legislative Services Maryland General Assembly 2008 Session

FISCAL AND POLICY NOTE

House Bill 984

(Delegate Montgomery, *et al.*)

Health and Government Operations

Veterans of Afghanistan and Iraq Mental Health Pilot Program

This bill establishes a Veterans of Afghanistan and Iraq Mental Health Pilot Program at the Montgomery County General Hospital. Veterans who are Maryland residents and require mental health services as a result of serving in Afghanistan or Iraq are eligible to participate in the program, as well as their spouses and dependents. Inpatient and outpatient mental health services are provided to eligible individuals. The bill requires the Governor to include \$200,000 for the program in the fiscal 2010 State budget. An evaluation report has to be submitted by the Mental Hygiene Administration to the Governor and the General Assembly by June 30, 2010.

The bill terminates June 30, 2010.

Fiscal Summary

State Effect: General fund expenditures could increase by \$150,000 in FY 2009 and \$200,000 in FY 2010 to implement the pilot program. Future years would not be affected given the bill's termination date of June 30, 2010. No effect on revenues. **This bill establishes a mandated appropriation in FY 2010 only.**

(in dollars)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	150,000	200,000	0	0	0
Net Effect	(\$150,000)	(\$200,000)	\$0	\$0	\$0

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

Local Effect: Montgomery County advises that the bill would temporarily ease the impact on locally funded public mental health and addiction services that would otherwise absorb some of the veterans served.

Small Business Effect: None.

Analysis

Current Law: Eligibility for Veterans Affairs 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. 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 2008, the Department of Health and Mental Hygiene 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 Maryland 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.

State Fiscal Effect: General fund expenditures could increase by \$150,000 in fiscal 2009, which reflects the bill's October 1, 2008 effective date and assumes

implementation of the pilot program in the first year. This estimate is based on the bill's mandate that the Governor include \$200,000 in the fiscal 2010 budget for a full year of funding the program.

If DHMH does not secure funding in fiscal 2009, the program would be unfunded that year. In this case, Legislative Services advises that DHMH and the Montgomery County General Hospital could plan for program implementation in fiscal 2009 until the \$200,000 allocation is made in fiscal 2010. There would be no future year expenditures since the bill terminates June 30, 2010.

DHMH advises that, since the bill does not define eligibility or necessity criteria for program participants, the number of veterans that would be served by the program is unknown. Legislative Services advises that DHMH and the Montgomery County General Hospital could determine both eligibility criteria and the number of veterans that could be served based on the funding provided.

Additional Information

Prior Introductions: None.

Cross File: SB 872 (Senator Peters) – Finance.

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

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ncs/ljm

Analysis by: Sarah K. Harvey

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