

Department of Legislative Services  
 Maryland General Assembly  
 2019 Session

FISCAL AND POLICY NOTE  
 Third Reader - Revised

House Bill 1160

(Delegate Lierman)

Health and Government Operations

Finance

**Public Health – Breathe Easy East Baltimore Pilot Program**

This bill establishes the Breathe Easy East Baltimore Pilot Program in the Baltimore City Health Department (BCHD) to provide and study the effects of asthma remediation services on eligible households in consultation with the Green and Healthy Homes Initiative. By December 1, 2024, BCHD must report to the Governor and the General Assembly, as specified. In fiscal 2021, the Governor must include an appropriation of \$100,000 in the State budget to BCHD for the administration of the pilot program. **The bill takes effect July 1, 2019, and terminates June 30, 2025.**

**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$100,000 in FY 2021, due to the mandated appropriation and may increase in the out-years to help fund the pilot program. Revenues are not affected. **The bill establishes a mandated appropriation for FY 2021.**

(in dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	100,000	-	-	-
Net Effect	\$0	(\$100,000)	\$0	\$0	\$0

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

**Local Effect:** BCHD expenditures may increase for the six-year period covered by the bill, beginning as early as FY 2020. In FY 2021, BCHD revenues (and expenditures) increase by \$100,000 from the mandated appropriation to help administer the program. Should State or federal funding be provided in the out-years, local revenues (and related expenditures) further increase. **This bill may impose a mandate on a unit of local government.**

**Small Business Effect:** Minimal.

## Analysis

**Bill Summary:** Asthma remediation services provided by the pilot program may include cleaning, education, structural interventions, and any other services BCHD, in consultation with the Green and Healthy Homes Initiatives, determines to be necessary. BCHD, in consultation with the Green and Healthy Homes Initiative, must:

- by July 1, 2020, select eligible households to participate in the pilot program;
- provide participating eligible households with asthma remediation services; and
- study the effect that the services have on the well-being of members of participating eligible households by measuring (relative to individuals who do not receive remediation services) health outcomes, economic outcomes, and educational outcomes for children.

BCHD may include in the pilot program specified policies and procedures, at BCHD's discretion. BCHD must attempt to access any available federal funds related to asthma remediation services for households.

By December 1, 2024, BCHD must submit a report to the Governor and the General Assembly that includes (1) the number of eligible households participating in the program; (2) information regarding how the program has affected the health, economic, and educational well-being of the members of the participating households; and (3) a recommendation on whether the pilot program should be extended or expanded.

**Current Law/Background:** Asthma is a life-threatening, chronic inflammatory disease of the airway that affects an individual's ability to breathe. Asthma can be managed but not cured.

Chapter 366 of 2002 established the Asthma Control Program within the Maryland Department of Health (MDH, then the Department of Health and Mental Hygiene). Under the program, MDH must establish a statewide asthma coalition, develop and implement a statewide asthma intervention program and an asthma surveillance system, and identify sources of grant funding. The program may fund local asthma intervention initiatives and asthma education training for school or other appropriate personnel. The Secretary of Health must submit annual reports on the Asthma Control Program's activities. However, the program lost federal funding from the U.S. Centers for Disease Control and Prevention in 2014, and MDH advises that this has resulted in the loss of support for critical elements of the program, including staff and the statewide asthma coalition.

Maryland Medicaid, in collaboration with the Environmental Health Bureau and the Department of Housing and Community Development, secured federal administrative funds to support two new initiatives, including Childhood Lead Poisoning Prevention and Environmental Case Management. This program provides environmental case management and in-home education programs with the aim of reducing the impact of lead poisoning and asthma on low-income children. According to MDH, the program will operate in Baltimore City and eight other jurisdictions with fiscal 2019 funding of \$360,000 in general funds and \$2.4 million in federal funds. MDH notes that this program is similar to the pilot program established under the bill.

The Green and Healthy Homes Initiative's mission is to break the link between unhealthy housing and unhealthy families by creating and advocating for healthy, safe, and energy efficient homes. The initiative's model is to channel funds from private and public sources to reduce lead hazards, control asthma triggers, prevent falls and injuries, improve energy efficiency, and weatherize homes.

**State Expenditures:** This analysis assumes no State support is provided for the pilot program in fiscal 2020. General fund expenditures increase by \$100,000 in fiscal 2021 from the mandated appropriation to BCHD. Although the bill is silent on pilot program funding in the out-years, additional State support may be necessary through fiscal 2025, as discussed below. To the extent that State funding is used to provide and study the effects of asthma remediation services on eligible households within the pilot program, general fund expenditures increase in those years.

**Local Fiscal Effect:** With the exception of the one-year mandated appropriation and the bill's directive to attempt to access federal funds, the funding source for the pilot program is unclear. As responsibility resides with BCHD, this analysis assumes local expenditures are necessary – beginning as early as fiscal 2020 and continuing through fiscal 2025.

In fiscal 2020, BCHD must (in consultation with the Green and Healthy Homes Initiative) select eligible households to participate in the pilot program. It is unclear whether this could be done with existing resources. Because pilot program costs are largely dependent on the size (number of eligible households selected) and scope (services determined to be necessary and then actually provided) of the pilot program, an estimate cannot be made at this time. Even so, beginning in fiscal 2021, costs of implementation could approach or exceed \$100,000 annually – for program administration, provision of remediation services, and evaluation of outcomes. For example, MDH estimates costs for just the evaluation component of the pilot program at \$50,000 annually for contractual services. It is unknown whether the Green and Healthy Homes Initiative has the staff, funding, and expertise to assist BCHD with these evaluations and other components of the pilot program or whether additional State and/or federal funding will be made available.

However, BCHD revenues increase by \$100,000 in fiscal 2021 from the mandated appropriation. Thus, BCHD expenditures increase by at least that amount in fiscal 2021 to administer the program, provide asthma remediation services through the Breathe Easy East Baltimore Pilot Program, and initiate the evaluation process. To the extent that State and/or federal funds are made available in the out-years to administer the pilot program and to provide and study the effects of asthma remediation services on eligible households, BCHD expenditures are defrayed correspondingly.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Association of County Health Officers; Department of Budget and Management; Maryland Department of Health; Green and Healthy Homes Initiative; Department of Legislative Services

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