

M00A01
Administration
Department of Health and Mental Hygiene

Operating Budget Data

(\$ in Thousands)

	<u>FY 12</u> <u>Actual</u>	<u>FY 13</u> <u>Working</u>	<u>FY 14</u> <u>Allowance</u>	<u>FY 13-14</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$22,214	\$27,484	\$27,233	-\$251	-0.9%
Contingent & Back of Bill Reductions	0	0	-40	-40	
Adjusted General Fund	\$22,214	\$27,484	\$27,193	-\$291	-1.1%
Special Fund	15	121	5	-116	-95.9%
Adjusted Special Fund	\$15	\$121	\$5	-\$116	-95.9%
Federal Fund	17,326	15,707	16,529	822	5.2%
Contingent & Back of Bill Reductions	0	0	-4	-4	
Adjusted Federal Fund	\$17,326	\$15,707	\$16,525	\$818	5.2%
Reimbursable Fund	7,491	7,323	8,071	748	10.2%
Adjusted Reimbursable Fund	\$7,491	\$7,323	\$8,071	\$748	10.2%
Adjusted Grand Total	\$47,046	\$50,634	\$51,794	\$1,159	2.3%

- The fiscal 2014 budget for the agencies in the Department of Health and Mental Hygiene (DHMH) Administration analysis collectively increase by almost \$1.16 million (2.3%). Increased costs in this budget are driven by personnel expenditures.
- Fund changes are more pronounced with special funds declining to virtually zero due to budget restoration funds that supported the fiscal 2013 cost-of-living adjustment being replaced with general funds. However, general funds still fall from fiscal 2013 to 2014 because of higher federal and reimbursable fund cost recoveries.

Note: Numbers may not sum to total due to rounding.

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Personnel Data

	<u>FY 12 Actual</u>	<u>FY 13 Working</u>	<u>FY 14 Allowance</u>	<u>FY 13-14 Change</u>
Regular Positions	372.00	371.00	371.00	0.00
Contractual FTEs	<u>3.82</u>	<u>10.17</u>	<u>11.08</u>	<u>0.91</u>
Total Personnel	375.82	381.17	382.08	0.91

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	21.22	5.72%
Positions and Percentage Vacant as of 12/31/12	37.80	10.19%

- There are no new regular positions in the DHMH Administration budget in fiscal 2014. Vacancy levels in the agencies in this budget are high.

Analysis in Brief

Major Trends

Facility Infrastructure: There has been limited improvement in facility infrastructure systems and no change in the percentage of buildings that meet standards, codes, and patient needs. No real improvement can be expected without either a significant change in how current facilities are used or major capital improvements. The 2014 *Capital Improvement Program* contains no funding for any major improvements.

Workforce: The retention rate for 20 key classifications remains unchanged. The different vacancy rate between skilled direct care and other direct care among these 20 key classifications remains striking.

Recommended Actions

	<u>Funds</u>	<u>Positions</u>
1. Delete two long-term vacant positions.	\$ 143,094	2.0
2. Add language deleting one long-term vacant position.		
Total Reductions	\$ 143,094	2.0

Updates

Advance Directive Registry: Committee narrative in the 2012 *Joint Chairmen's Report* requested DHMH to report on whether recent changes in the development of electronic health records, for example, would make it easier to implement Chapter 223 of 2006 that established a voluntary advance directive registry. A summary of the report is provided.

M00A01 – DHMH – Administration

M00A01
Administration
Department of Health and Mental Hygiene

Operating Budget Analysis

Program Description

The Department of Health and Mental Hygiene (DHMH) Administration budget analysis includes the following offices within the department:

- Office of the Secretary (Executive Direction and Operations); and
- Deputy Secretary for Behavioral Health and Disabilities.

The **Office of the Secretary** establishes policies regarding health services and supervises the administration of the health laws of the State and its subdivisions. The Office of the Secretary also includes the general support functions for the whole department, providing administrative, financial, information technology (IT), and general services (such as central warehouse management, inventory control, fleet management, space management, and management of engineering/construction projects).

The **Deputy Secretary for Behavioral Health and Disabilities** oversees and coordinates the work of three administrations:

- Alcohol and Drug Abuse Administration;
- Mental Hygiene Administration; and
- Developmental Disabilities Administration (DDA).

For the 2013 session, the DHMH Administration budget analysis no longer contains the budget of the Deputy Secretary for Public Health Services. That budget will be discussed as part of the Public Health Administration analysis.

Performance Analysis: Managing for Results

The DHMH Administration Managing for Results (MFR) measures are administrative in nature and, for the most part, as shown in **Exhibit 1**, vary little from year to year.

Exhibit 1
Selected Program Measurement Data
DHMH – Administration
Fiscal 2008-2012

	<u>Actual 2008</u>	<u>Actual 2009</u>	<u>Actual 2010</u>	<u>Actual 2011</u>	<u>Actual 2012</u>
Repeat OLA audit comments (%)	32	14	28	12	18
Condition of facility infrastructure systems (% in good/excellent condition)	87	87	87	88	89
Residential and program buildings meeting licensing standards, current building codes, and patient/client needs (%)	45	28	26	34	34
Retention rate within 20 key classifications (%)	89	87	89	87	88
State retention rate grades 5-26 (%)	89	90	91	89	91

DHMH: Department of Health and Mental Hygiene

OLA: Office of Legislative Audits

Source: Department of Health and Mental Hygiene

1. Facility Infrastructure

In terms of facilities, as shown in the exhibit, there was no change in the condition of facility infrastructure systems or the number of residential and program buildings meeting licensing requirements, current building standards, and patient/client needs. As noted in prior analyses, new standards for patient safety goals for psychiatric hospitals established in 2008 by the Joint Commission resulted in a significant downgrading of the percentage of buildings in compliance with requirements, standards, and needs. Capital and operating funding was provided in fiscal 2010 to make the necessary improvements. These improvements are reflected in an increase in this particular measure. According to the department, of the originally 11 identified improvement projects:

- 9 are now complete; and
- of the remaining 2:
 - the contract for hardware improvements at Spring Grove Hospital Center which was scheduled to be completed in summer 2011 had to be rebid after a dispute with the contractor over pricing – a new award was made in October 2012 with completion now expected in November 2013; and

- all but two bathroom modifications at Spring Grove Hospital Center have been completed with the remaining improvements delayed by the resolution of the dispute over hardware.

The concerns of the Joint Commission about safety standards at the psychiatric hospitals included the use of suicide prevention fixtures. The improvements that have taken place at the facilities extended to the State's two psychiatric facilities for youth, the Regional Institutes for Children and Adolescents (RICAs). Sadly, in early January, a youth at RICA Baltimore was able to commit suicide despite the presence of fixtures and fittings that had been upgraded as part of the department's recent physical improvement efforts.

Again, it is important to note that even with the completion of these projects, and accounting for recent facility closures, the department's **goal** for the percentage of residential and program buildings meeting licensing requirements, current building standards, and patient/client needs is still remarkably low and will remain so until significant capital projects are completed. These projects include replacing Spring Grove Hospital Center, the renovation of the north wing at Clifton T. Perkins Hospital Center, and the construction of the new Secure Evaluation and Therapeutic Treatment (SETT) Center at Jessup, as well as significant improvements to buildings at the Holly Center, Potomac Center, and Western Maryland Hospital Center. The fiscal 2014 *Capital Improvement Program* shows construction funding for the SETT unit in fiscal 2015 and funding for the Clifton T. Perkins north wing renovation in fiscal 2016. There is no funding for other projects.

2. Workforce

One measure of the department's ability to attract and retain a skilled workforce is the employment rate within 20 key classifications (see **Exhibit 2**). These 20 classifications are taken from over 750 classification levels used by DHMH and are considered by the department to be a representative sample of those classifications key to fulfilling the mission of the department. The employment rate is calculated by dividing the number of filled positions versus total positions on a monthly basis and then averaged for the year. This particular measure had fallen slightly in fiscal 2011 but improved in fiscal 2012.

Exhibit 2
DHMH MFR Retention Goal: 20 Key Classification Levels

Sanitarian IV/Environmental Sanitarian II	Direct Care Assistant II
Coordinator Special Programs Health Services/Developmental Disabilities	Community Health Nurse II
Medical Care Program Specialist II	Health Facility Surveyor Nurse I
Agency Procurement Specialist II	Registered Nurse
Office Secretary III	Computer Network Specialist II
Public Health Lab Scientist General and Lead	Fiscal Accounts Clerk II
Social Worker II, Health Services	Accountant II
Program Administrator II, Health Services	Physician Clinical Specialist
Alcohol and Drug Counselors	Physician Program Manager
Epidemiologist III	Health Policy Analyst, Advanced

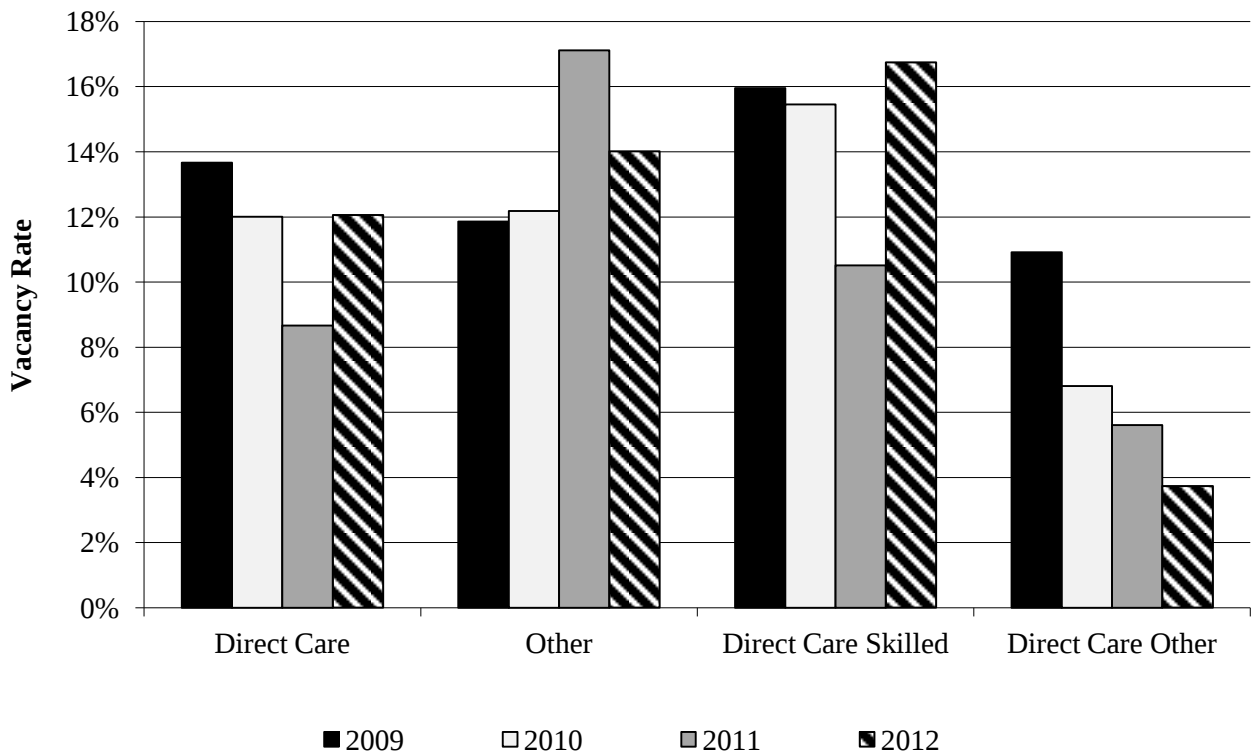
DHMH: Department of Health and Mental Hygiene
MFR: Managing for Results

Source: Department of Health and Mental Hygiene

Exhibit 3 presents more detailed information from the same data and shows that in both fiscal 2011 and 2012, the department had more vacancies in nondirect care categories than in the direct care categories. However, the gap between the two categories narrowed. Direct care vacancy rates increased despite a significant drop in the number of direct care jobs included in this category. Nondirect filled positions did increase between fiscal 2011 and 2012.

There continues to be a striking difference in terms of vacancy rates within the direct care category between skilled direct care workers (for example, nurses and physicians) and other direct care workers (in this instance direct care assistants). The disparity grew sharply between fiscal 2011 and 2012. There does not appear to be any explanation for this difference other than the simple difficulty that the State has in hiring into skilled direct care positions.

Exhibit 3
DHMH – 20 Key Classification Levels Vacancy Rates
Fiscal 2009-2012



DHMH: Department of Health and Mental Hygiene

Source: Department of Health and Mental Hygiene; Department of Legislative Services

Proposed Budget: Personnel Costs Underpin Modest Budget Growth

As shown in **Exhibit 4**, the Governor’s fiscal 2014 allowance for the DHMH Administration budgets provides for a budget growth of just under \$1.2 million (2.3%) from the fiscal 2013 working appropriation. As shown in the same exhibit and also in **Exhibit 5**, this relatively modest budget growth is primarily due to growth in certain personnel costs: \$595,000 for increased retirement contributions due to underattaining investment returns, changing actuarial assumptions, and increasing the reinvestment of savings achieved in the 2011 pension reform; \$322,000 for employee and retiree health insurance; and \$246,000 in regular salaries, largely representing the annualization of the fiscal 2013 2% cost-of-living (COLA) adjustment.

Exhibit 4
Proposed Budget
DHMH – Administration
(\$ in Thousands)

How Much It Grows:	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
2013 Working Appropriation	\$27,484	\$121	\$15,707	\$7,323	\$50,634
2014 Allowance	<u>27,233</u>	<u>5</u>	<u>16,529</u>	<u>8,071</u>	<u>51,837</u>
Amount Change	-\$251	-\$116	\$822	\$748	\$1,203
Percent Change	-0.9%	-95.9%	5.2%	10.2%	2.4%
Contingent Reduction	-\$40	\$0	-\$4	\$0	-\$44
Adjusted Change	-\$291	-\$116	\$818	\$748	\$1,159
Adjusted Percent Change	-1.1%	-95.9%	5.2%	10.2%	2.3%

Where It Goes:

Personnel Expenses	\$1,109
Retirement contributions	\$595
Employee and retiree health insurance	322
Annualized fiscal 2013 general salary increase	246
Accrued leave payout	39
Employee transit costs	37
Other fringe benefit adjustments	2
Workers' compensation assessment	-52
Turnover adjustment	-80
Assigned Costs	-\$514
Administrative Hearings charge	217
Department of Information Technology services allocation	75
Retirement administrative charge	46
Office of the Attorney General administrative charge	44
Department of Budget and Management assigned telecommunications and capital lease costs	-79
Annapolis Data Center usage charge	-173
State personnel information technology system charge	-644
Miscellaneous Items	\$272
Patterson Avenue rent	88
Printing costs (including savings from reorganization of photocopying services)	49

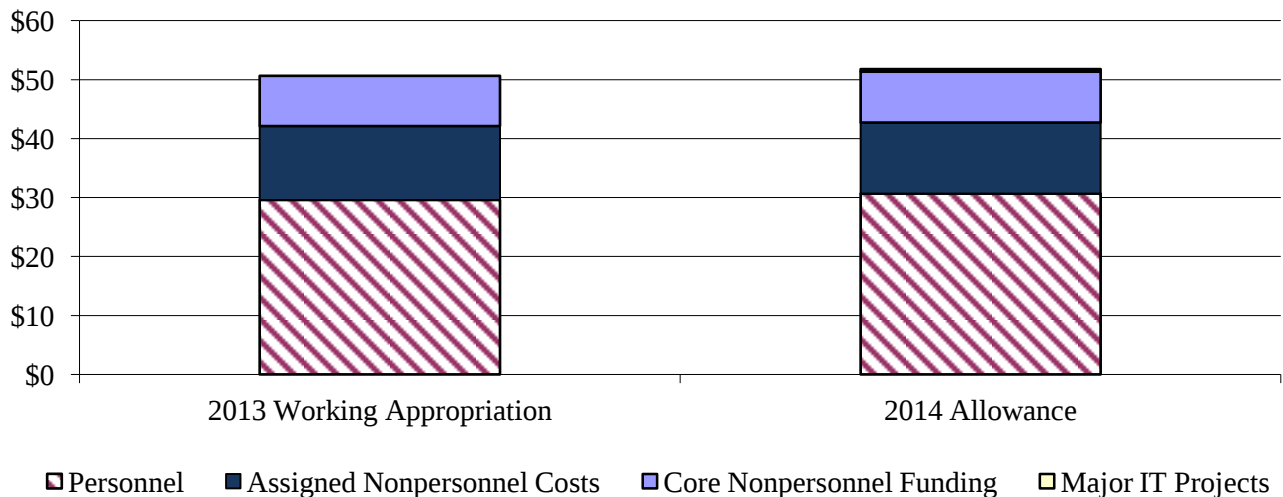
M00A01 – DHMH – Administration

Where It Goes:

Contractual payroll (primarily Office of Inspector General Medicaid Payment Error Rate Measurement eligibility review unit.....	42
Grants	31
Security services at Patterson Avenue	26
Office supplies (primarily photocopying)	20
Utilities.....	16
Information Technology and Communications	\$262
Major information technology project (see Appendix 2 for additional detail).....	440
Equipment related to Electronic Laboratory Reporting	89
Capital lease payments for servers, network printers, and other equipment.....	-125
Various costs associated with the Public Health Information Network.....	-142
Other	\$30
Total	\$1,159

Note: Numbers may not sum to total due to rounding.

Exhibit 5
DHMH – Administration Fiscal 2013 and 2014 Budgets
Various Categories
(\$ in Millions)



DHMH: Department of Health and Mental Hygiene
 IT: information technology

Source: Department of Legislative Services; Governor's Operating Budget

Outside of personnel costs, charges that are assigned to DHMH decline by \$514,000, notably charges associated with the development of the new State personnel information technology system.

The only other change of note is the addition of \$440,000, all federal funds, to support the planning for the development of a new financial platform for DDA (see **Appendix 2** for additional details). An additional \$592,000 in general fund support for this project is budgeted in the Major Information Technology Project Development Fund. Given the recent issues with financial oversight in DDA, the potential need for a new financial platform is relatively easy to justify. The Department of Legislative Services (DLS) would note that the initial planning for this project began in January 2012. As a result, it was not designated as a major IT development project in the 2012 session and was presented to DLS as an out-of-cycle project in December 2012 prior to the award of a contract for the initial phase of the project. The award was made in January 2013 to Alvarez and Marsal Public Sector Services, LLC.

Changes in Fund Support

Although the fiscal 2014 allowance for the DHMH Administration shows limited growth, there are some significant changes in fund support:

- Special fund support falls to virtually nothing. This represents the removal of budget restoration funds used to fund the fiscal 2013 COLA from the fiscal 2014 budget.
- Federal fund support increases by over \$800,000 (5.2%) in fiscal 2014 compared to fiscal 2013. This increase is largely due to expectations of growth in federal indirect cost recoveries (due to a larger base of expenditures against which the recoveries are claimed rather than any increase in the recovery rate), as well as the federal funds to support the DDA major IT project.
- Reimbursable fund support also increases significantly, almost \$750,000 (10.2%). The largest factor here is the receipt of funds (\$566,000) from the Maryland Health Benefit Exchange (MHBE) as an indirect cost recovery for administrative services provided by DHMH on behalf of the exchange and its budgeted 70 full-time equivalent (FTE) positions in fiscal 2014. This increase in reimbursable funds, together with larger federal indirect cost recoveries, explains why general fund support for the DHMH Administration budget falls.

It should be noted that there is no indirect cost recovery for MHBE in fiscal 2013. MHBE is currently authorized for 42 FTE positions with an additional 20 FTE positions proposed in a fiscal 2013 deficiency appropriation. While hiring has been slow, MHBE currently has 14 FTE positions filled and will look to fill additional positions in the remainder of the fiscal year. Thus, it seems reasonable that DHMH should recover some indirect costs in fiscal 2013. **DLS recommends an amendment to the Budget Reconciliation and Financing Act to reduce fiscal 2013 general funds in the DHMH Administration by \$100,000, funding that can be replaced by MHBE federal funds.**

Recommended Actions

- | | <u>Amount
Reduction</u> | | <u>Position
Reduction</u> |
|---|------------------------------------|----|--------------------------------------|
| 1. Delete two long-term vacant positions (022529 and 049457) and associated funding. The positions have been vacant for over 12 months. | \$ 143,094 | GF | 2.0 |

2. Add the following section:

Section X. AND BE IT FURTHER ENACTED, That \$85,811 in reimbursable funds and one regular position appropriated in the Department of Health and Mental Hygiene, Office of the Secretary Operations (Program M00A01.02) shall be deleted. The Governor shall develop a schedule for allocating this reimbursable fund reduction across the department as appropriate. The reduction under this section shall equal at least the amounts indicated for the budgetary types listed:

<u>Fund</u>	<u>Amount</u>
<u>General</u>	<u>\$42,906</u>
<u>Federal</u>	<u>\$42,905</u>

Explanation: Delete 1 regular position (047000) and associated funding from the Department of Health and Mental Hygiene's Office of the Secretary.

Total General Fund Reductions	\$ 143,094	2.0
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Updates

1. Advance Directive Registry

Committee narrative in the 2012 *Joint Chairmen's Report* noted that DHMH has not been able to implement Chapter 223 of 2006 that established a voluntary advance directive registry. The key issue preventing implementation was funding, both to develop the appropriate infrastructure and for ongoing operations and maintenance. The committee narrative requested the department to review whether changes in the health arena with regard to electronic medical records, for example, may have made implementation of such a registry more affordable.

The department, through the Maryland Health Care Commission, and in conjunction with the Chesapeake Regional Information System for our Patients (CRISP) and other stakeholders convened a workgroup to discuss two related activities:

- The development of an Advanced Directive Registry. Advanced directives are used to appoint health care agents to make treatment decisions and/or provide instructions regarding potential treatment. Their purpose is to allow patients to inform future medical decisions even if they become incapacitated.

The group recommended that patients could use a personal health record connected to CRISP, which is Maryland's designated statewide health information exchange (HIE), to accomplish the goals of an advanced directive registry. The statewide HIE is intended to connect hospitals, physician practices, and nursing homes to enable information sharing. By including advanced directives as part of a personal health record, any records that are part of the statewide HIE would enable directives to be queried by providers that also have access to the HIE.

The report estimated that such a patient managed registry would require \$92,000 in State funds to develop and \$100,000 to maintain annually (much less than the cost of a standalone advanced directive registry estimated at \$500,000 to develop and \$200,000 to maintain when the 2006 legislation was enacted). The development cost would also be subsidized by \$75,000 from federal Health Information Technology grant funding.

- The development of a registry for electronic Medical Orders for Life Sustaining Treatment (MOLST) forms. A MOLST form is a medical order signed by a licensed physician or nurse practitioner. These forms are now required for use in certain settings by Chapter 434 of 2011 and are intended to reflect a patient's treatment preferences including those regarding life-sustaining treatments.

The group again recommended a MOLST registry accessible via the statewide HIE. Documents in the registry could be queried via a secure web portal. Providers would be able to submit forms through an electronic health record of a participant in the HIE, through the HIE secure portal, or in a secure message from a provider.

M00A01 – DHMH – Administration

The report's initial estimate of the cost of developing a MOLST registry was \$252,000 in initial costs and \$500,000 in annual operations and maintenance costs. Again, both of these figures were after significant grant support was taken into account primarily for development costs. Those costs were subsequently revised to \$292,000 for development costs and approximately \$400,000 in annual operations and maintenance, again after taking into consideration grant support.

The report concludes by acknowledging the gap that often occurs between the care a patient wants nearing the end of life and what they receive. Inadequate communication between patients, family, and providers is typically the cause of this gap. Advance directives and a MOLST form offer a means to improve that communication. The statewide HIE that is being developed to improve provider access to patient information seems a logical vehicle to add to that patient information.

No funding was provided in the budget for either an advanced directive or MOLST registry.

Current and Prior Year Budgets

Current and Prior Year Budgets DHMH – Administration (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2012					
Legislative Appropriation	\$25,285	\$410	\$16,487	\$7,616	\$49,799
Deficiency Appropriation	0	0	385	0	385
Budget Amendments	-3,065	-395	940	425	-2,095
Reversions and Cancellations	-6	0	-486	-551	-1,043
Actual Expenditures	\$22,214	\$15	\$17,326	\$7,491	\$47,046
Fiscal 2013					
Legislative Appropriation	\$28,403	\$2	\$14,972	\$7,323	\$50,700
Budget Amendments	-919	119	734	0	-66
Working Appropriation	\$27,484	\$121	\$15,707	\$7,323	\$50,634

Note: Numbers may not sum to total due to rounding.

Fiscal 2012

The fiscal 2012 legislative appropriation for the DHMH Administration was reduced by just over \$2.75 million. This decrease was derived as follows:

- A deficiency appropriation added \$385,000 in federal funds for the planning of a Women, Infants, and Children (WIC) Electronic Benefits Transfer system. The system is intended to replace the current system of issuing paper checks to WIC recipients.
- Budget amendments offset this increase by almost \$2.1 million. Specifically:
 - General funds declined by almost \$3.1 million. This decrease is derived from a variety of amendments with the most significant being almost \$3.1 million due to internal reorganization, notably the Vital Statistics Administration moving under the purview of the Deputy Secretary for Public Health Services (which is no longer a part of the DHMH Administration analysis). Other amendments reducing general funds included the departmental general fund fiscal year closeout amendment that transferred \$356,000 from the DHMH Administration to other parts of the agency with general fund needs, and \$145,000 to re-align costs associated with usage at the Annapolis Data Center. Significant additions of general funds were included in amendments funding the fiscal 2012 one-time bonus (\$285,000) and in the fiscal year closeout amendment re-aligning communications costs (\$179,000).
 - Special funds declined by \$395,000, again primarily related to internal reorganization noted above.
 - Federal funds increased by almost \$940,000. This increase primarily reflected the addition of over \$2.8 million in funding to support the operations of the MHBE (which through fiscal 2012 were budgeted in DHMH), offset by reductions of almost \$1.4 million due to lower than anticipated federal grant expenditures and \$566,000 through internal reorganization noted above.
 - Reimbursable funds increased by \$425,000. These are primarily funds received from the Major Information Technology Development Project Fund for the ongoing development of an electronic vital records system (\$593,000) offset by a decline of \$174,000 due to internal reorganization.
- Reversions and cancellations reduced the legislative appropriation by just over \$1.0 million. The largest reductions were federal fund cancellations of \$486,000 and reimbursable fund cancellations of \$551,000.

Fiscal 2013

To date, the fiscal 2013 legislative appropriation for the DHMH Administration has been reduced by \$66,000 through various budget amendments. Most of this change (a decrease of \$760,000 in general funds and an increase of \$714,000 in federal funds) relates to a higher than originally budgeted federal indirect cost rate which frees up general funds in the DHMH Administration budget to support additional general fund spending in other parts of the department. Other changes include the reduction of \$160,000 in general funds to reflect the consolidation of Geographic Information System/Web Design capacity into the Department of Information Technology and the addition of \$139,000 (\$119,000 in special funds and \$20,000 in federal funds) to support the fiscal 2013 COLA.

Major Information Technology Projects

Department of Health and Mental Hygiene – Administration Financial Restructuring of the Developmental Disabilities Administration (DDA)

Project Status¹	Planning	New/Ongoing Project:	New
Project Description:	Improvement of business and financial processes and development of a new financial platform for DDA. Initial request for proposals (RFP) is to map existing business/financial processes and financial platform, make recommendations for improvement, and draft requirement specifications to solicit the modification/replacement of the existing financial platform.		
Project Business Goals:	Improvement of DDA business and financial processes.		
Estimated Total Project Cost¹:	n/a	Estimated Planning Project Cost¹:	\$1,676,750
Project Start Date:	January 2012	Projected Completion Date:	Requirement analysis to be completed by October 2013. Project completion date to be determined.
Schedule Status:	January 2013 to Alvarez and Marsal Public Sector Services, LLC.		
Cost Status:	Fiscal 2014 funding included in MITDPF and DHMH Administration budgets.		
Scope Status:	n/a		
Project Management Oversight Status:	Department of Information Technology project oversight is now in place. An internal DHMH project manager has been designated.		
Identifiable Risks:	Highest identifiable risks are the need for interoperability with existing State fiscal systems (the Medicaid Management Information System, which is itself being replaced, and the Financial Management Information System, which is the State's accounting system); the potential change in organization culture that will be required within DDA and the DDA-provider community; and the need for ongoing system support.		
Additional Comments:	DDA has very high visibility in its role as the major public financier of services to a particularly vulnerable population. Any change in the delivery of that funding will have to be delicately managed. At the same time, recent financial irregularities in the management of DDA's funding and an apparent difficulty in ensuring that the administration provides needed services while staying within its budget (a budget that has been growing significantly in recent years due to a commitment on the part of both the legislature and the Governor) points to the need to overhaul business and financial processes.		

Fiscal Year Funding (\$ in Thousands)	Prior Years	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Balance to Complete	Total
Personnel Services	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Professional and Outside Services	644.9	981.9	0.0	0.0	0.0	0.0	0.0	1,626.8
Other Expenditures	0.0	50.0	0.0	0.0	0.0	0.0	0.0	50.0
Total Funding	\$644.9	\$1,031.9	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1,676.8

DHMH: Department of Health and Mental Hygiene

MITDPF: Major Information Technology Development Project Fund

¹ In calendar 2011, a two-step approval process was adopted. Initially, an agency submits a Project Planning Request. After the requirements analysis has been completed and a project has completed all of the planning required through Phase Four of the Systems Development Lifecycle (Requirements Analysis), including a baseline budget and schedule, the agency may submit a Project Implementation Request and begin designing and developing the project when the request is approved. For planning projects, costs are estimated through planning phases. Implementation projects are required to have total development costs.

**Object/Fund Difference Report
DHMH – Administration**

<u>Object/Fund</u>	<u>FY 12 Actual</u>	<u>FY 13 Working Appropriation</u>	<u>FY 14 Allowance</u>	<u>FY 13 - FY 14 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	372.00	371.00	371.00	0.00	0%
02 Contractual	3.82	10.17	11.08	0.91	8.9%
Total Positions	375.82	381.17	382.08	0.91	0.2%
Objects					
01 Salaries and Wages	\$ 29,361,836	\$ 29,552,472	\$ 30,705,060	\$ 1,152,588	3.9%
02 Technical and Spec. Fees	268,844	513,853	556,219	42,366	8.2%
03 Communication	2,463,395	2,204,425	2,112,264	-92,161	-4.2%
04 Travel	134,036	146,654	150,489	3,835	2.6%
06 Fuel and Utilities	174,018	170,064	185,850	15,786	9.3%
07 Motor Vehicles	72,179	67,927	77,060	9,133	13.4%
08 Contractual Services	10,600,835	13,935,355	13,775,247	-160,108	-1.1%
09 Supplies and Materials	527,659	499,174	528,229	29,055	5.8%
10 Equipment – Replacement	280,444	135,418	138,294	2,876	2.1%
11 Equipment – Additional	290,984	270,231	353,991	83,760	31.0%
12 Grants, Subsidies, and Contributions	1,148,920	1,142,057	1,173,273	31,216	2.7%
13 Fixed Charges	1,722,952	1,996,810	2,081,510	84,700	4.2%
Total Objects	\$ 47,046,102	\$ 50,634,440	\$ 51,837,486	\$ 1,203,046	2.4%
Funds					
01 General Fund	\$ 22,214,404	\$ 27,483,889	\$ 27,232,897	-\$ 250,992	-0.9%
03 Special Fund	15,000	121,156	5,000	-116,156	-95.9%
05 Federal Fund	17,326,171	15,706,617	16,529,055	822,438	5.2%
09 Reimbursable Fund	7,490,527	7,322,778	8,070,534	747,756	10.2%
Total Funds	\$ 47,046,102	\$ 50,634,440	\$ 51,837,486	\$ 1,203,046	2.4%

Note: The fiscal 2013 appropriation does not include deficiencies. The fiscal 2014 allowance does not include contingent reductions.

M00A01 – DHMH – Administration

Appendix 3

**Fiscal Summary
DHMH – Administration**

<u>Program/Unit</u>	<u>FY 12 Actual</u>	<u>FY 13 Wrk Approp</u>	<u>FY 14 Allowance</u>	<u>Change</u>	<u>FY 13 - FY 14 % Change</u>
01 Executive Direction	\$ 14,801,168	\$ 13,140,806	\$ 13,855,646	\$ 714,840	5.4%
02 Financial Management Administration	29,376,210	35,285,545	35,311,430	25,885	0.1%
08 Major IT Projects	791,291	0	439,843	439,843	0%
01 Dep. Sec. for Behavioral Health and Disabilities	2,077,433	2,208,089	2,230,567	22,478	1.0%
Total Expenditures	\$ 47,046,102	\$ 50,634,440	\$ 51,837,486	\$ 1,203,046	2.4%
General Fund	\$ 22,214,404	\$ 27,483,889	\$ 27,232,897	-\$ 250,992	-0.9%
Special Fund	15,000	121,156	5,000	-116,156	-95.9%
Federal Fund	17,326,171	15,706,617	16,529,055	822,438	5.2%
Total Appropriations	\$ 39,555,575	\$ 43,311,662	\$ 43,766,952	\$ 455,290	1.1%
Reimbursable Fund	\$ 7,490,527	\$ 7,322,778	\$ 8,070,534	\$ 747,756	10.2%
Total Funds	\$ 47,046,102	\$ 50,634,440	\$ 51,837,486	\$ 1,203,046	2.4%

Note: The fiscal 2013 appropriation does not include deficiencies. The fiscal 2014 allowance does not include contingent reductions.

M00A01 – DHMH – Administration

Appendix 4