

Department of Legislative Services  
Maryland General Assembly  
2024 Session

FISCAL AND POLICY NOTE  
Enrolled - Revised

Senate Bill 245

(Chair, Finance Committee)(By Request - Departmental -  
Health)

Finance

Health and Government Operations

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Maryland Community Health Resources Commission – Sunset Extension and  
Program Evaluation

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This departmental bill extends the termination date for the Maryland Community Health Resources Commission (MCHRC) by 10 years to June 30, 2035, subject to the evaluation and reestablishment provisions of the Maryland Program Evaluation Act (MPEA). **The bill takes effect July 1, 2024.**

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**Fiscal Summary**

**State Effect:** Special fund revenues and expenditures for MCHRC are maintained through FY 2035. The FY 2025 budget includes \$63.0 million for MCHRC.

**Local Effect:** Local governments are eligible to apply for grants from MCHRC; extending the termination date means these grants continue to be available.

**Small Business Effect:** The Maryland Department of Health (MDH) has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services (DLS) concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

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## Analysis

### **Current Law/Background:**

#### *Maryland Community Health Resources Commission*

MCHRC is an independent commission within MDH with 11 members appointed by the Governor. The commission was established in 2005 to expand health care access through community health resources. Historically, MCHRC mainly funded the State's safety net providers. However, the commission's charge has been expanded in recent years.

Chapter 36 of 2021 (the Blueprint for Maryland's Future – Implementation) established the Maryland Consortium on Coordinated Community Supports within MCHRC to (1) develop coordinated community supports partnerships to meet student behavioral health needs and other related challenges in a holistic, nonstigmatized, and coordinated manner; (2) provide technical assistance to local school systems to support positive classroom environments and close achievement gaps; and (3) provide expertise in developing best practices in the delivery of behavioral health and wraparound services. Part of the consortium's charge is to administer the Coordinated Community Supports Partnerships grant program.

Chapters 741 and 742 of 2021 required MCHRC to establish a Pathways to Health Equity/Health Equity Resource Community (HERC) program and provide grant funding to reduce health disparities, improve health outcomes, improve access to primary care, promote primary and secondary prevention services, and reduce health care costs and hospital admissions and readmissions.

MCHRC's \$108.0 million fiscal 2024 appropriation provides roughly \$85.0 million for the Consortium on Coordinated Community Supports, \$15.0 million for HERC grants, and \$7.0 million for operating grants to qualifying community health resources.

MCHRC was originally established with a termination date of June 30, 2010; however, Chapters 624 and 625 of 2008 extended MCHRC's termination date by five years to June 30, 2015. Chapter 368 of 2014 further extended MCHRC's termination date by 10 years to June 30, 2025.

Unlike the Maryland Health Care Commission (MHCC) and the Health Services Cost Review Commission (HSCRC), MCHRC is not subject to MPEA. Neither MHCC nor HSCRC have statutory termination dates.

*Maryland Program Evaluation Act and the Office of Program Evaluation and Government Accountability*

Approximately 60 regulatory entities and activities are subject to termination unless reauthorized periodically through statute. Under MPEA, these entities may also be subject to an evaluation by the Office of Program Evaluation and Government Accountability (OPEGA) within DLS prior to their termination. However, OPEGA may conduct an evaluation only if directed by specified entities or by legislation. OPEGA was not asked to conduct an evaluation prior to its termination. Accordingly, the MCHRC has requested reauthorizing legislation.

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**Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Maryland Department of Health; Department of Legislative Services

**Fiscal Note History:** First Reader - January 11, 2024  
rh/jc Third Reader - March 14, 2024  
Revised - Amendment(s) - March 14, 2024  
Enrolled - April 29, 2024  
Revised - Amendment(s) - April 29, 2024

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**ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES**  
**Maryland Department of Health**  
**Session 2024**

**BILL TITLE:** Maryland Community Health Resources Commission – Sunset  
Extension and Program Evaluation

**BILL  
NUMBER:** SB 245

**PREPARED  
BY:**  
**(Program\Unit):** Maryland Community Health Resources Commission

**PART A. ECONOMIC IMPACT RATING**

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESSES

**PART B. ECONOMIC IMPACT ANALYSIS**

This proposal will not have a fiscal or operational impact on the Maryland Department of Health. The Commission's funding for its traditional RFP is covered by the Cigarette Restitution Fund through FY2029, and the HERC program and Consortium are already fully funded. Therefore, the Commission's activities have already been funded and will not require additional investment.