

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 726 (Delegate Fulton)
(Co-Chairman, Special Joint Committee on Group Homes)
Environmental Matters

Interagency Coordinating Council on Community-Based Services for Adults with Developmental Disabilities or Mental Disorders

This bill specifies that the Department of Health and Mental Hygiene (DHMH) is the lead agency for supervising and monitoring a statewide interagency system for regulating community-based residential facilities funded by the Developmental Disabilities Administration (DDA), the Mental Hygiene Administration (MHA), or the Department of Human Resources' Certified Adult Residential Environment (CARE) program. It requires DHMH to establish an Interagency Coordinating Council on Community-Based Services for Adults with Developmental Disabilities or Mental Disorders. The council is to have at least five members. Support staff is to be provided by DHMH.

Fiscal Summary

State Effect: General fund expenditures could increase by \$2,300 in FY 1998. Future year expenditures increase with annualization and inflation. Revenues would not be affected.

(in dollars)	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	2,300	3,200	3,200	3,300	3,400
Net Effect	(\$2,300)	(\$3,200)	(\$3,200)	(\$3,300)	(\$3,400)

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

Local Effect: None.

Small Business Effect: Potential meaningful effect on small businesses as discussed below.

Fiscal Analysis

Bill Summary: DHMH's responsibilities as lead agency include: (1) serving as the point of entry for persons seeking information on establishing a community-based residential program; (2) providing DDA, MHA, DHR, and other State agencies that receive public inquiries with information about the availability of community-based residential programs and services; and (3) monitoring (through the council) the establishment, licensing, location, and operation of community-based residential programs by State agencies to ensure compliance with State law and regulations.

The Interagency Coordinating Council on Community-Based Services for Adults with Developmental Disabilities or Mental Disorders is to (1) establish a system to ensure State agency accountability and coordination; (2) develop uniform application and licensing procedures; (3) promote the recommendation that persons seeking to establish community-based residential facilities communicate with the community in which the facility will be located; and (4) establish qualifications and training requirements among the State agencies for direct care workers.

Background: The President of the Senate and the Speaker of the House established the Special Joint Committee on Group Homes in 1995 to examine the operational, regulatory, and financial issues relating to group homes.

State Expenditures: The Department of Health and Mental Hygiene advises that general fund expenditures could increase by an estimated \$29,600 in fiscal 1998, which reflects the bill's October 1, 1997 effective date. This estimate reflects the cost of hiring one Administrative Specialist to (1) carry out the department's responsibilities as the lead agency for supervising and monitoring a statewide interagency system for regulating community-based residential facilities; and (2) establish and provide support staff to the council. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

The Department of Fiscal Services advises that DHMH has not provided sufficient justification for hiring an additional staff person. Most of the responsibilities outlined in the bill are already carried out by the department and could be implemented by redirecting existing resources. However, general fund expenditures could increase by \$2,325 in fiscal 1998 for a toll-free telephone line to handle the inquiries from the public, which reflects the bill's October 1, 1997 effective date. The estimate assumes (1) 10 phone calls per day; (2) 10 minutes per call; (3) a cost of 11 cents per minute; and (4) a monthly cost of \$20.

Small Business Effect: The bill's requirements would apply to 1,385 group homes for clients with developmental disabilities, 40 group homes for clients with mental disorders, and 498 Certified Adult Residential Environment (CARE) program providers. Small businesses that wish to establish new community-based residential facilities could benefit from the bill's

requirements that (1) DHMH serve as the point of entry for persons seeking information on establishing a community-based residential program; and (2) the council establish a system to ensure State agency accountability and coordination and develop uniform application and licensing procedures.

Information Source(s): Department of Health and Mental Hygiene (Mental Hygiene Administration), Office on Aging, Department of Human Resources

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