

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

House Bill 131 (Chairman, Environmental Matters Committee)  
(Departmental - Health and Mental Hygiene)

Environmental Matters

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**Mental Hygiene Administration - Facilities**

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This departmental bill removes the Highland Health Facility from the list of inpatient facilities operated by the Mental Hygiene Administration (MHA) and clarifies the name of the Regional Institutes for Children and Adolescents.

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**Fiscal Summary**

**State Effect:** None. Expenditures would not decrease because consolidation of the Highland Health facility with the Walter P. Carter Center has almost been completed. DHMH intends to reassign remaining excess administrative staff from the Highland facility to perform other functions. Revenues would not be affected.

**Local Effect:** None.

**Small Business Effect:** The Department of Health and Mental Hygiene has determined that this bill has minimal or no impact on small businesses (attached). Legislative Services concurs with this assessment.

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**Fiscal Analysis**

**Background:** The fiscal 1997 budget consolidated the Highland Health Psychiatric Unit with the Walter P. Carter Community Mental Health Center on a temporary basis while the building housing the Highland facility was undergoing renovation. The Highland unit was underutilized and the Carter Center had excess capacity that permitted absorption of Highland patients. To ensure that the consolidation remained permanent, the fiscal 1998 budget bill provides that "It is the intent of the General Assembly that Highland Health Psychiatric Unit be fully consolidated with the Walter P. Carter Community Mental Health

Center.”

**State Expenditures:** Consolidation of the Highland Health Facility and the Walter P. Carter Center will result in elimination of duplicative personnel and administrative costs. Since DHMH intends to reassign staff from the Highland facility to perform other services, expenditures will not decrease.

**Exhibit 1** shows the decrease that has already taken place in the Highland facility’s budget from fiscal 1995 (pre-consolidation) through fiscal 1999 (during consolidation). During that time period, the facility’s budget decreased by \$1.2 million. Most of the decrease is in contractual services (\$0.7 million), which includes such items as food services, housekeeping, pharmacy services, and utilities purchased from Johns Hopkins Bayview Medical Center (the campus where the Highland facility was formerly housed). Other budgeted areas that have decreased include overtime (\$25,000), contractual employees (\$65,000), and on-duty psychiatric coverage (\$140,000).

**Exhibit 1**  
**Comparison of Highland Health Facility Budgets**  
**Before and During Consolidation**

(\$ in millions)	FY 1995 Actual	FY 1996 Actual	FY 1997 Actual	FY 1998 Approp.	FY 1999 Allow.
Salaries/Wages	\$2.2	\$2.2	\$2.1	\$2.2	\$2.1
Contractual Svcs.	0.7	0.5	0.1	0.02	0.02
Other Oper. Exp.	1.2	1.0	0.9	0.7	0.8
<b>TOTAL</b>	<b>\$4.1</b>	<b>\$3.7</b>	<b>\$3.1</b>	<b>\$2.9</b>	<b>\$2.9</b>
No. of Positions	73	74	67	66	62

**Information Source(s):** Department of Health and Mental Hygiene (Mental Hygiene Administration), Department of Legislative Services

**Fiscal Note History:** First Reader - February 6, 1998

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Analysis by: Sue Friedlander

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710