

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

Senate Bill 419 (Senator Bromwell)

Finance

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Department of Health and Mental Hygiene - Core Service Agencies -  
Regulation

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This bill amends current law to require, rather than authorize, the Department of Health and Mental Hygiene (DHMH) to adopt regulations to govern core service agencies (CSAs).

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Fiscal Summary

**State Effect:** Indeterminate. Any effect on services and funding of community mental health programs depends on the regulations adopted by DHMH.

**Local Effect:** Indeterminate. To the extent that a CSA is a unit of local government, local revenues received by a CSA from the State could be affected, depending on the regulations adopted by DHMH.

**Small Business Effect:** Indeterminate. The bill could affect small business community mental health providers, depending on the regulations adopted by DHMH.

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Fiscal Summary

**Background:** The General Assembly enacted Chapter 709 of 1997 to provide community mental health programs with grievance rights in disputes with the CSAs. A provision of Chapter 709 that was eliminated during the amendment process was a requirement that the Mental Hygiene Administration (MHA) adopt regulations to govern CSAs.

CSAs have been approved and/or are operational in all but two jurisdictions of the State. It is the intent of MHA that a CSA will ultimately be operational in every jurisdiction. Serving as key players in the new public mental health system established under mandatory managed care for Medicaid recipients, CSAs are allocated general funds and federal Medicaid funds with which to contract for mental health services for those individuals in their jurisdictions.

The community mental health providers seek regulation of the CSAs to provide a degree of consistency in the availability of services from jurisdiction to jurisdiction. The providers contend that the availability of services varies from county to county due to the different ways CSAs carry out their roles as local care managers. MHA believes that the CSAs need to have the flexibility to address local requirements and establish local priorities for service.

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

**Fiscal Note History:** First Reader - March 9, 1998

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