

Department of Legislative Services

Maryland General Assembly

2003 Session

FISCAL AND POLICY NOTE

Revised

House Bill 761

(Delegate Hurson, *et al.*)

Health and Government Operations Finance & Education, Health, and Environ. Affairs

Task Force to Study the Reorganization of the Department of Health and Mental Hygiene

This bill establishes a 25-member Task Force to Study the Reorganization of the Department of Health and Mental Hygiene (DHMH). The task force must report its findings to the General Assembly by December 1, 2004. The Department of Legislative Services will provide staff. The bill sunsets December 31, 2004.

Fiscal Summary

State Effect: Any expense reimbursements for task force members and staffing costs for the Department of Legislative Services could be handled within existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The following units are included in the department: AIDS Administration; Alcohol and Drug Abuse Administration; Budget Management Office; Office of the Chief Medical Examiner; Community Health Administration; Community Relations; Office of Contract Policy, Management, and Procurement; Division of Corporate Compliance; Developmental Disabilities Administration; Executive Nominations; Family Health Administration; Fiscal Services Administration; General Services; Governmental Affairs; Office of Health Care Quality; Health Services Cost

Review Commission; Information Resources Management Administration; Laboratories Administration; Maryland Medical Care Programs Administration (Medicaid); Maryland Psychiatric Research Center; Mental Hygiene Administration; Personnel Services; Office of Planning and Capital Financing; Office of Regulations Coordination; Postmortem Examiners Commission; Resident Grievance System; Training Services Division; Testing Services Unit; Program Cost and Analysis; Public Relations; Vital Statistics Administration; and Volunteer Services.

The following boards are part of the department: Anatomy Board; Board of Examiners for Audiologists; Board of Chiropractic Examiners; Board of Dental Examiners; Board of Dietetic Practice; Board of Electrologists; Board of Morticians; Board of Nursing; Board of Examiners of Nursing Home Administrators; Board of Occupational Therapy Practice; Board of Examiners in Optometry; Board of Pharmacy; Board of Physical Therapy Examiners; Board of Physician Quality Assurance; Board of Podiatry Examiners; Board of Professional Counselors and Therapists; Board of Examiners of Psychologists; Board of Social Work Examiners; Board of Examiners for Speech-Language Pathologists; Commission on Physical Fitness; and Advisory Council on Infant Mortality.

Background: Introduced by the Schaeffer Administration during the 1991 session, SB 295 would have created a Department of Income and Health Security (DIHS) by consolidating income transfer and health insurance functions from three departments. The Medical Care and Licensing and Certification Programs from DHMH would have merged with the Income Maintenance and Child Support Enforcement functions of Department of Human Resources (DHR). At the same time, the Division of Vocational Rehabilitation would have moved into DHMH from the Department of Education. As a result, DIHS would have included:

- Medical Care Programs Administration (Medical Assistance, Pharmacy Assistance, and AIDS Program);
- Income Maintenance (AFDC, Food Stamps, and General Public Assistance);
- Energy Assistance; and
- Child Support Enforcement.

Additionally, the Department of Juvenile Justice, the Office for Children, Youth and Families, social service programs for children and families (under DHR), child care regulatory programs, and other related programs would have merged into a newly created Department of Children and Family Services. The remainder of DHMH would have been renamed the Department of Health and Human Services and would have been separated into three divisions: Public Health Services; Policy, Planning, and Regulation; and Disability Services.

The Council on Management and Productivity was asked by the Glendening Administration in the fall of 2001 to assess DHMH's organizational capacity in meeting its current mandates and planning for the future. The council, after meeting with members of the Administration, legislators, health professionals, vendors, and others, assembled a list of organizational options. A questionnaire based on these options was developed and sent to advocates, providers, public employees, and selected elected officials. The survey results were released in January 2003 in a report by the council. The four options that received 50% or more positive responses were: transferring senior care programs to the Department of Aging; transferring Medicaid eligibility determination from DHR to the agency with Medicaid oversight; reorganizing DHMH to devolve central operations to program administrations; and reorganizing DHMH to strengthen central operations. Two options that came close to receiving 50% of respondents' support were: creating an independent medical coverage and care agency; and creating an independent behavioral health agency.

The council recommended that the Administration set up a work team to follow up on the report's results and develop more specific recommendations for reorganizing DHMH.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): *Reorganization of the Maryland Department of Health and Mental Hygiene*, Council on Management and Productivity, January 2003; Department of Legislative Services

Fiscal Note History: First Reader - March 7, 2003
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