

**Department of Legislative Services**  
 Maryland General Assembly  
 2004 Session

**FISCAL AND POLICY NOTE**

House Bill 1459 (Delegate Boschert, *et al.*)  
 Health and Government Operations and Appropriations

**Mental Hygiene Administration - Crownsville Hospital Center - Study**

This emergency bill prohibits the Mental Hygiene Administration (MHA) from closing, downsizing, consolidating, or selling the Crownsville Hospital Center on or before June 1, 2006. MHA must conduct or commission a study to determine whether closing Crownsville is an appropriate option for the continued delivery of mental health services to individuals in the geographic region. The study must determine: (1) the availability of and access to mental health services for individuals in the region currently served by Crownsville; (2) the future use of the grounds; and (3) the potential impact on nonprofit organizations that use the hospital's facilities.

**Fiscal Summary**

**State Effect:** Department of Health and Mental Hygiene (DHMH) general fund expenditures would increase by \$11.8 million in FY 2005. The proposed FY 2005 budget assumes \$11.8 million general fund savings from the closure of Crownsville. Future year estimates reflect inflation and assume the hospital will close June 30, 2006. Revenues would not be affected.

(\$ in millions)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	11.8	12.3	0	0	0
Net Effect	(\$11.8)	(\$12.3)	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

## Analysis

**Current Law:** None applicable.

**Background:** Recently, DHMH has considered closing a State mental health facility due to low utilization of inpatient mental health services. Over the past 21 years, utilization has decreased from 4,390 beds to 1,204 in the State's various psychiatric facilities. In 2003, DHMH explored the feasibility of closing one of three facilities: Crownsville, Spring Grove, or Springfield, and has decided to close Crownsville Hospital Center, located in Anne Arundel County, by June 30, 2004. The Governor's proposed fiscal 2005 budget assumes the hospital's closure, along with the resulting \$12 million savings. About \$5 million of this savings would be redirected toward community-based treatment programs.

Some local residents are concerned about a proposed sale of the 630-acre property and the potential for unwanted development of the hospital campus. In 2002, the Board of Public Works approved the transfer of about 560 acres of the campus to the Environmental Trust, a State government-funded nonprofit agency. The Environmental Trust has considered giving the land to Anne Arundel County, but has yet to do so.

**State Fiscal Effect:** DHMH general fund expenditures would increase by \$11.8 million in fiscal 2005 if Crownsville is not closed by June 30, 2004. The fiscal 2005 budget assumes closure of the hospital and using \$5 million of the projected savings to help fund community mental health services. The remaining \$6.8 million was removed from the budget.

The bill's reporting requirements could be handled with existing DHMH budgeted resources.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - March 16, 2004  
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