

Department of Legislative Services
 Maryland General Assembly
 2012 Session

FISCAL AND POLICY NOTE

House Bill 194 (Delegate McConkey, *et al.*)
 Health and Government Operations

State Traumatic Brain Injury Trust Fund

This bill establishes the State Traumatic Brain Injury Trust Fund as a special, nonlapsing fund to support specified services for individuals who have sustained traumatic brain injuries (TBI). The Developmental Disabilities Administration (DDA) must administer the fund, which consists of money appropriated in the State budget to the fund, investment earnings of the fund, and any other money accepted from any other source for the benefit of the fund.

Fiscal Summary

State Effect: Because the bill establishes the State Traumatic Brain Injury Trust Fund but does not establish any means (beyond general funds) of capitalizing the fund, general fund expenditures increase beginning in FY 2013 by an estimated \$500,000 annually to capitalize the fund. Correspondingly, special fund revenues and expenditures increase by \$500,000 annually beginning in FY 2013 to reflect general funds received and grants awarded, respectively. The bill does not specifically allow for administrative costs; thus, general fund expenditures increase by an additional \$53,100 (for a total of \$553,100) beginning in FY 2013 for DDA to hire one full-time administrator to assist with fund administration. Future year expenditures reflect annualization and inflation for the administrative costs.

(in dollars)	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
SF Revenue	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
GF Expenditure	\$553,100	\$565,700	\$570,200	\$573,500	\$577,000
SF Expenditure	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Net Effect	(\$553,100)	(\$565,700)	(\$570,200)	(\$573,500)	(\$577,000)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The purpose of the fund is to assist eligible individuals in the provision of durable medical equipment; assistive technology assessment and equipment; neuropsychological evaluation; services to assist in a return to driving and related evaluation and training; and medical, individual case management, rehabilitation, neurobehavioral health, nursing home transition, community reentry, educational, transportation, and housing and residential services. The fund may also be used to support prevention, education, and awareness programs.

To be eligible for assistance from the fund, an individual must (1) have a documented TBI; (2) have been a U.S. citizen and State resident at the time of the injury; (3) have income no greater than 300% of the federal poverty level; and (4) have exhausted all other health, rehabilitation, and disability funding sources that cover services provided by the fund. Money expended from the fund is supplemental to – and not intended to take the place of – funding that would otherwise be appropriated for those services. An individual is prohibited from receiving from the fund services costing more than the maximum annual or lifetime amounts established by policies and procedures adopted by DDA.

DDA must report annually to the Governor and the General Assembly on the number of individuals served and the services provided in the preceding year using the fund.

Current Law/Background: Chapter 306 (SB 395) of 2005 codified the establishment of the State Traumatic Brain Injury Advisory Board, which had been in existence since 1999 and is staffed by the Department of Health and Mental Hygiene and the Department of Disabilities. The board is charged with investigating the needs of citizens with TBI; identifying gaps in services to citizens with TBI; facilitating collaboration among State agencies serving individuals with TBI; facilitating collaboration among organizations and entities serving individuals with TBI; encouraging and facilitating community participation in program implementation; and issuing an annual report that summarizes the board's actions and contains recommendations. The board must include, in its annual report, recommendations for providing oversight in acquiring and utilizing State and federal funds dedicated to services for individuals with TBI; building provider capacity and provider training that addresses the needs of individuals with TBI; and improving the coordination of services for individuals with TBI.

In its 2011 annual report, the board recommended that the State Traumatic Brain Injury Trust Fund be established to provide urgently needed services to the increasing number of State residents who have (or will have) TBI and have exhausted all other available resources. The board suggested in its recommendation that the fund receive \$2.5 million annually and that the main source of funding be an additional charge to individuals fined under State motor vehicle laws.

The Mental Hygiene Administration (MHA) is designated in regulation as the State's lead agency for service delivery to individuals with TBI. MHA administers (in conjunction with the Medical Assistance Program) the Waiver for Adults with TBI, which is a Medicaid waiver program that provides opportunities for community-based services to individuals who have experienced TBI after the age of 21 and who meet the program's medical, financial, and technical criteria. Technical eligibility criteria require that individuals are residents in State psychiatric hospitals, State-owned and operated nursing facilities, or Maryland-licensed chronic hospitals that are accredited in inpatient brain injury rehabilitation.

In 2012, according to the board, more than 40,000 State residents will sustain a life-altering TBI requiring a hospital or emergency room visit and more than 7,000 will be hospitalized for TBI.

State Fiscal Effect: The bill establishes the State Traumatic Brain Injury Trust Fund but does not provide for a dedicated revenue source for the fund. Thus, this estimate reflects the cost of capitalizing the fund with at least \$500,000 in general fund expenditures each year – the minimal amount to ensure viability of the fund. To the extent that funds are received from another source, such as federal or private grant funding, general fund expenditures to capitalize the fund may be reduced.

Special fund expenditures increase by up to \$500,000 annually beginning in fiscal 2013 to reflect grants awarded. Actual grant funding will depend on the amount of any State budget appropriation to the fund or any other moneys received from another source for the fund.

DDA advises that it is unable to absorb the costs of administering the fund. Given that MHA (rather than DDA) is the lead agency for service delivery to individuals with TBI, and given that thousands of individuals could be eligible for services, Legislative Services concurs with DDA that one full-time position is needed to implement the bill. Because the bill does not specifically allow the fund to cover administrative costs, this position is assumed to be general-funded. Accordingly, general fund expenditures increase by an additional \$53,146 in fiscal 2013 for DDA to hire one full-time administrator. The estimate accounts for the bill's effective date and includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Administrator	1
Salary and Fringe Benefits	\$48,248
One-time Start-up Costs	4,485
Ongoing Operating Expenses	<u>413</u>
Total FY 2013 State Expenditures	\$53,146

Future year expenditures for fund administration reflect include a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

Additional Information

Prior Introductions: None.

Cross File: SB 577 (Senator Reilly) - Finance.

Information Source(s): State Traumatic Brain Injury Advisory Board, Department of Health and Mental Hygiene, Department of Legislative Services

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