

Department of Legislative Services
 Maryland General Assembly
 2019 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 681 (Delegate Cullison)
 Health and Government Operations and
 Ways and Means

State Department of Education and Maryland Department of Health - School-Based Health Centers - Ombudsmen

This bill requires the State Superintendent of Schools and the Secretary of Health to each designate an ombudsman for school-based health centers (SBHCs) to serve as the primary point of contact for individuals involved in SBHCs, provide technical assistance to support the establishment and expansion of SBHCs, and coordinate efforts between the Maryland State Department of Education (MSDE), the Maryland Department of Health (MDH), and other agencies to build a robust network of SBHCs. The two ombudsmen are added as *ex officio* members of the Maryland Council on Advancement of School-Based Health Centers (the council). The bill also (1) alters required actions by the council; (2) requires MSDE and MDH to conduct a specified statewide needs assessment; and (3) establishes reporting requirements for MSDE and MDH. **The bill takes effect July 1, 2019.**

Fiscal Summary

State Effect: General fund expenditures increase by \$300,000 in FY 2020 to hire staff and for one-time contractual costs to conduct the required needs assessment. Future years reflect elimination of contractual costs. Revenues are not affected.

(in dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	300,000	190,000	196,200	202,700	209,600
Net Effect	(\$300,000)	(\$190,000)	(\$196,200)	(\$202,700)	(\$209,600)

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

Local Effect: SBHCs may receive technical assistance from the ombudsmen, but finances are not directly affected.

Small Business Effect: None.

Analysis

Bill Summary: Current law requires the council to develop policy recommendations on a number of topics to improve the health and educational outcomes of students who receive services from SBHCs, including integrating SBHCs into existing and emerging patient-centered models of care. The bill expands this requirement to include the Maryland Total Cost of Care Model. The bill also clarifies that the council must review SBHC data collected by MSDE and requires the council to *develop* specified policy recommendations.

MDH and MSDE must conduct a statewide needs assessment of public schools with a high rate of students living in poverty. The council and other interested stakeholders must be consulted on the design and findings of the assessment. The assessment must identify (1) the level of need to establish or expand SBHCs to meet student's primary care, behavioral health, and oral health needs; (2) the capacity of local school systems, local health departments, and other community-based entities to establish or expand SBHCs; and (3) the resources needed to establish or expand SBHCs to meet the needs identified by the assessment. MDH and MSDE must report their findings regarding the needs assessment to the Governor and the General Assembly by December 31, 2019.

MDH and MSDE must consult with the council and other interested stakeholders on a plan to build a sustainable sponsorship model by expanding the type of organizations that can sponsor SBHCs. By November 1, 2019, MDH and MSDE must report their findings and recommendations to the Governor and the General Assembly.

Current Law:

School-based Health Centers

SBHCs are health centers located in a school or on a school campus that provide on-site comprehensive preventive and primary health services. Services may also include behavioral health, oral health, ancillary, and supportive services. SBHCs were started in Maryland in 1985 to increase children's access to health care. They have proven effective in diagnosing and treating illness, managing chronic health conditions, and increasing school attendance for children at risk of missing school due to health issues. In some parts of the United States where SBHCs have been studied, an increase in student achievement has been noted in schools with SBHCs.

According to MSDE, as of fiscal 2019, 85 SBHCs operated across 12 local school systems in Maryland. The Governor's proposed fiscal 2020 budget includes \$2.6 million in State

aid to public schools for SBHCs. This level of annual funding has been nearly the same since fiscal 2012.

Maryland Council on Advancement of School-Based Health Centers

The purpose of the council is to improve the health and educational outcomes of students who receive services from SBHCs by advancing their integration into the health care and educational systems at the State and local levels. The council must develop specified policy recommendations to improve the health and educational outcomes of students who receive services from SBHCs. Chapter 199 of 2017 transferred the council from MSDE to MDH. The council must report its findings and recommendations to the Maryland Community Health Resources Commission (MCHRC), MDH, MSDE, and the General Assembly by December 31 of each year.

The council consists of 15 voting members and 6 *ex officio* members, and it includes representatives of several State agencies and other organizations, as well as parents, principals, and SBHC clinicians. MCHRC must provide staff support for the council but may seek the assistance of organizations with relevant expertise to provide additional staffing to MCHRC and the council.

Maryland Community Health Resources Commission

MCHRC was established as an independent commission in 2005 to expand access to health care services in underserved communities in the State. MCHRC is composed of 11 members appointed by the Governor. The commission supports the development of community health care resources by (1) awarding grants to expand access in underserved areas and support public health priorities and (2) supporting local health improvement coalitions and efforts to promote population health initiatives. The chair of MCHRC is an *ex officio* member of the council.

Commission on Innovation and Excellence in Education

The Commission on Innovation and Excellence in Education (Kirwan Commission), chaired by former University of Maryland Chancellor Dr. William “Brit” Kirwan, was established by Chapters 701 and 702 of 2016 to (1) review and recommend any needed changes to update the current education funding formulas (known as the Thornton formulas) and (2) make policy recommendations that would enable Maryland’s preK-12 system to perform at the level of the best-performing systems in the world.

The council provided both public and written testimony to the Kirwan Commission on several occasions in 2018. One of the elements, or recommendations, of the Kirwan Commission’s January 2019 [Interim Report](#) is to train staff in all schools to recognize

mental health issues as well as other issues related to trauma and to coordinate access to needed mental health and other services for students, as part of the effort to increase school safety. Chapter 30 of 2018, the Safe to Learn Act, specifically charged the Kirwan Commission with developing recommendations to address these issues. This Kirwan Commission recommendation is accompanied by a cost estimate that funding for SBHCs increases to \$9.0 million beginning in fiscal 2021, which would fully fund the original \$6.0 million commitment to SBHCs made by the State in the early 1990s, adjusted for inflation. The interim report also states that a needs assessment for SBHCs should be undertaken to determine and expand capacity through existing and new SBHCs, and to identify the amount of funding needed.

State Expenditures: General fund expenditures increase by \$300,000 in fiscal 2020 for MSDE and MDH to hire ombudsmen and for contractual expenditures to conduct the required statewide needs assessment, consult with specified entities to build a sustainable sponsorship model, and submit the required reports, as discussed below.

Maryland Department of Health Expenditures

General fund expenditures for MDH increase by \$200,000 in fiscal 2020, which accounts for the bill’s July 1, 2019 effective date. This estimate reflects the cost of hiring one program manager to serve as the ombudsman for MDH, coordinate with MSDE’s ombudsman, provide technical assistance, develop the required reports, and coordinate interagency efforts as required by the bill. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses. The estimate also includes one-time contractual expenditures to (1) conduct the required statewide needs assessment and submit the required report by December 31, 2019, and (2) consult with the council and other interested stakeholders on a plan to build a sustainable sponsorship model by expanding the type of organizations that can sponsor SBHCs and submit the required report by November 1, 2019.

Position	1.0
Salary and Fringe Benefits	\$92,485
Contractual Costs	100,000
Other Operating Expenses	<u>7,515</u>
Total MDH FY 2020 Expenditures	\$200,000

Future year expenditures reflect a full salary with annual increases and employee turnover and ongoing operating expenses as well as elimination of contractual costs.

Maryland State Department of Education Expenditures

General fund expenditures for MSDE increase by \$100,000 in fiscal 2020, which accounts for the bill's July 1, 2019 effective date. This estimate reflects the cost of hiring one education program specialist to serve as the ombudsman for MSDE, coordinate with MDH's ombudsman, provide technical assistance, develop the required reports, and coordinate interagency efforts as required by the bill. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	1.0
Salary and Fringe Benefits	\$92,485
Operating Expenses	<u>7,515</u>
Total MSDE FY 2020 Expenditures	\$100,000

Future year expenditures reflect a full salary with annual increases and employee turnover and ongoing operating expenses.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Association of County Health Officers; Maryland State Department of Education; Maryland Department of Health; Baltimore City Public Schools; Department of Legislative Services

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