Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 506 (Senator Elfreth, *et al.*)

Finance and Budget and Taxation

Maryland Department of Health - Mental Health and Substance Use Disorder Services - Needs Assessment Study

This bill requires the Maryland Department of Health (MDH) to conduct a comprehensive statewide study to determine the existing capacity and estimated unmet needs for mental health and substance use disorder services by region of the State, including services for developmental and behavioral disabilities. MDH may contract with an entity to conduct the study. MDH must submit a report to the Governor and the General Assembly by December 1, 2020. The Governor must appropriate $5.0 million in the fiscal 2021 State budget for the study.

Fiscal Summary

State Effect: General fund expenditures increase by an indeterminate amount as early as FY 2020, as discussed below. General fund expenditures for MDH increase by as much as $5.0 million in FY 2021 to conduct the study (either directly or through a contract). **This bill establishes a mandated appropriation for FY 2021.**

(in dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenues	$0	$0	$0	$0	$0
GF Expenditure	–	5,000,000	0	0	0
Net Effect	($–)	($5,000,000)	$0	$0	$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The study must review issues related to mental health and substance use disorder services for adults and adolescents including (1) the average daily capacity of public and private inpatient and outpatient facilities and hospital emergency departments; (2) the levels of care provided or offered; (3) barriers to patient discharge; and (4) the insurance providers accepted for services.

Current Law/Background:

Joint Chairmen's Report

The 2018 *Joint Chairmen's Report* directed MDH to conduct a statewide review of the behavioral health workforce and infrastructure to determine the strengths and weaknesses of the State's public behavioral health system. The *Report on Statewide Review of Behavioral Health Workforce and Capacity* was submitted in January 2019. The analysis revealed that Maryland has made remarkable progress toward addressing the shortage of behavioral health workforce through efforts such as supported employment, accelerated licensure processes for providers, expansion of the certified and noncertified peer recovery specialist workforce, provision of training, and promotion of professional development opportunities. However, the report notes that there continues to be a shortage of psychiatrists, addictionologists, and behavioral health nurse specialists (especially in remote areas of the State) that is exacerbated by the current opioid crisis.

The report estimated that, statewide, there are approximately 1,406,949 people in need of behavioral health services; however, only 262,299 (18.6%) are receiving those services.

Behavioral Health Administration Needs Assessment Report

In September 2016, MDH's Behavioral Health Administration conducted a systemwide substance use disorder needs assessment deigned to compare need for services to current capacity. The needs assessment report estimated that between 48,198 and 76,458 Marylanders age 12 or older were in need of treatment for a problem with opioid use. However, the estimated combined total capacity for opioid treatment programs in the State was only 32,422.

State of Mental Health in America

In 2017, Mental Health America reported that about 56% of adults with mental illness received no treatment within the prior year. For those who did seek treatment, about 20% reported unmet treatment needs. However, the report stated that, as of 2014 (the most

recent year for which data was available), Maryland ranked fourteenth overall regarding access to mental health care.

Federal Guidance

In 2013, the federal Substance Abuse and Mental Health Services Administration (SAMHSA) created a behavioral health treatment needs assessment toolkit for states. At that time, SAMHSA reported there was a significant need for quantitative tools and data on which to base mental health and substances abuse system planning in order to inform decisions regarding the appropriate mix of services and the adequacy of existing provider networks.

State Expenditures: General fund expenditures increase by $5.0 million in fiscal 2021, which reflects the bill's mandated appropriation. Funds will be used by MDH to conduct (or contract with an entity to conduct) a comprehensive behavioral health needs assessment and report to the Governor and the General Assembly. To the extent the study costs less than the mandated appropriation, unexpended funds may revert to the general fund.

The bill requires MDH to report on the results of the needs assessment study by December 1, 2020. However, the mandated appropriation for the study is for fiscal 2021, which begins July 1, 2020. Thus, MDH has only five months to complete the needs assessment and submit the report. Therefore, MDH may have expenditures related to the needs assessment beginning in fiscal 2020.

Additional Comments: MDH indicates that the needs assessment study mandated by the bill may be duplicative of its *Joint Chairmen's Report* response, *Report on Statewide Review of Behavioral Health Workforce and Capacity*. However, the Department of Legislative Services notes that the bill requires a comprehensive needs assessment study conducted by region that includes actual provider treatment capacity.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Budget and Management; Maryland Department of Health; Substance Abuse and Mental Health Services Administration; Mental Health America; Department of Legislative Services

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