

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1010
(Delegate Kipke)
Judiciary

Children - Substance Abuse Court-Ordered Evaluations and Treatment

This bill requires the juvenile court to order the evaluation of a child if it appears to a court that the child is in need of and may benefit from inpatient or outpatient substance abuse treatment. The Maryland Department of Health (MDH) must provide the evaluation. If, after an evaluation, MDH finds that a child would benefit from treatment, the court must order the child to enter a treatment program. The Department of Juvenile Services (DJS) must provide treatment to a child under the bill's provisions, as specified.

Fiscal Summary

State Effect: General fund expenditures increase significantly for DJS and MDH to implement the bill's requirements, as discussed below. Revenues are not materially affected.

Local Effect: The bill does not materially affect local finances or operations.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: The jurisdiction of the juvenile court is altered to specifically include jurisdiction over a child who is in need of and may benefit from inpatient or outpatient substance abuse treatment provided under specified provisions of the Courts and Judicial Proceedings Article (§ 3-8A-15(i)(3)) or ordered under the bill's new provisions.

If it appears to the juvenile court that a child is in need of and may benefit from inpatient or outpatient substance abuse treatment in a State-licensed substance abuse treatment

program, the court must order MDH to evaluate the child. The court must set and may change the conditions under which an evaluation is to be conducted. MDH must ensure that each evaluation ordered is conducted in accordance with regulations adopted by MDH. If MDH finds that a child evaluated under these provisions would benefit from inpatient or outpatient substance abuse treatment, the court must order the child to enter a State-licensed program.

DJS must provide inpatient or outpatient substance abuse treatment to a child who is ordered by a court under the above provisions to enter a State-licensed program. DJS must reimburse an entity for the costs of services to provide substance abuse treatment in accordance with these requirements.

Current Law: The juvenile court generally has jurisdiction over a child alleged to be delinquent, in need of supervision, or who has received a citation for specified violations. Under § 3-8A-15(i)(3) of the Courts and Judicial Proceedings Article (as referenced in the bill), the Secretaries of Human Services and Juvenile Services (and, when appropriate, the Secretary of Health) must jointly adopt regulations to ensure that any child placed in shelter care prior to a hearing is provided appropriate services, including those related to health care, counseling, education, social work, and drug and alcohol abuse assessment or treatment.

State Fiscal Effect: General fund expenditures increase significantly for DJS and MDH to implement the bill's provisions. The extent of the impact depends on the number of children for whom evaluations and subsequent treatment are ordered and the type of treatment ordered.

Under the bill, MDH is responsible for evaluating a child for substance abuse if ordered to do so by a court. Without experience under the bill, it is not possible to reliably predict the number of evaluations that may be ordered. Based on information provided by DJS and MDH, costs associated with each evaluation likely range from \$50 to \$180. Depending on implementation, MDH may require additional staff to coordinate the evaluation process, at an estimated cost of \$67,700 in fiscal 2023, which accounts for the bill's October 1, 2022 effective date, and approximately \$83,300 annually thereafter for each administrator needed.

Following an evaluation, if MDH finds that a child would benefit from treatment (inpatient or outpatient), the court must order the child to enter a State-licensed treatment program; DJS is responsible for any resulting costs. Accordingly, DJS anticipates the need to hire additional licensed substance abuse counselors to facilitate its responsibility for outpatient treatment. Although the number of additional counselors that may be needed will depend on the number of court orders, which cannot be reliably estimated in advance, *for illustrative purposes only*, costs associated with each counselor are \$75,000 in fiscal 2023

(which accounts for the bill's October 1, 2022 effective date) and approximately \$93,000 annually thereafter.

The bill also requires DJS to reimburse an entity for the costs of substance abuse treatment. Although it is generally assumed (as noted above) that DJS hires licensed counselors to handle outpatient treatment services, general fund expenditures also increase significantly to the extent that inpatient treatment is ordered, and DJS is required to reimburse private entities for the provision of inpatient services. To the extent that a large number of children are ordered for inpatient treatment, DJS may need to establish its own licensed program for treatment (that will ensure separation between the children impacted by the bill and children who have been adjudicated delinquent) and anticipates operating expenditures of approximately \$10 million annually, in addition to potential capital costs for inpatient treatment facilities.

Small Business Effect: State-licensed substance abuse treatment providers may benefit meaningfully from additional children being court ordered into substance abuse treatment and paid for by the State.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts); Maryland Department of Health; Department of Juvenile Services; Department of Legislative Services

Fiscal Note History: First Reader - February 23, 2022
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