

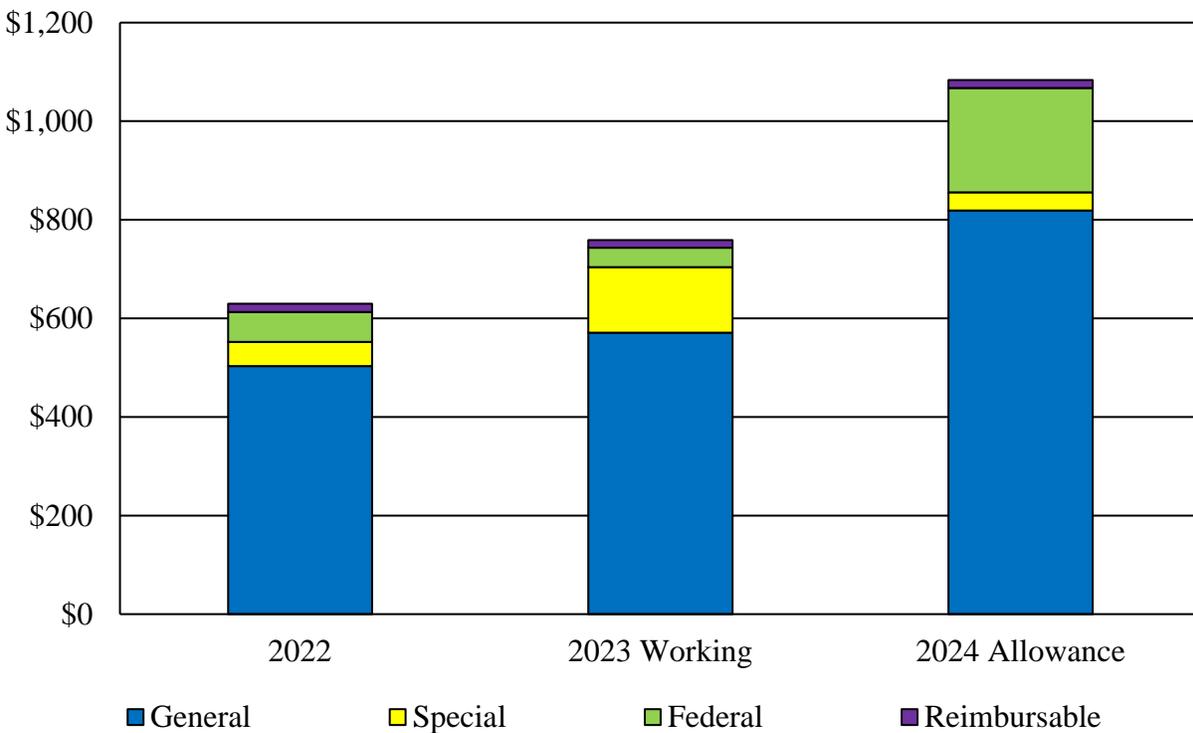
M00A01
Administration
Maryland Department of Health

Executive Summary

The Maryland Department of Health (MDH) Administration establishes policies regarding health services and supervises the administration of the health laws of the State while also providing for the main operations components of the entire department, including administrative, financial, information technology (IT), and general services. All of the State’s hospital facilities are also included in the MDH Administration budget.

Operating Budget Summary

Fiscal 2024 Budget Increases \$325.1 Million, or 42.8%, to \$1,083.8 Million
(\$ in Millions)



Note: Numbers may not sum due to rounding. The fiscal 2023 working appropriation includes deficiency appropriations including this agency’s share of a deficiency appropriation budgeted in the Statewide Account within the Department of Budget and Management (DBM). Fiscal 2024 salary enhancements are budgeted in the Statewide Account within DBM.

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- The general fund allowance for MDH Administration increases by approximately \$248 million, or 43%, from the adjusted fiscal 2023 working appropriation. The federal fund allowance increases by \$171.5 million, or 432%. These increases are driven by the State and federal shares (\$218.2 million and \$195.2 million, respectively) of accelerated provider rate increases for developmental disabilities, behavioral health, and certain Medicaid providers. These rate increases are currently mandated for fiscal 2025 and 2026, but funding is provided to accelerate these increases into fiscal 2024 to align with the proposed acceleration of the minimum wage increase to \$15 per hour to October 2023. This funding is provided contingent on legislation to accelerate the minimum wage increase, as proposed by Governor Wes Moore in HB 549/SB 555.
- The decrease in special funds of \$95.6 million in the fiscal 2024 allowance is primarily driven by the elimination of one-time funding from the Dedicated Purpose Account (DPA) totaling \$121.5 million to support the hospital workforce, nursing homes and assisted living, and the Children’s National Hospital and pediatric cancer research. Funding for the pediatric cancer research in fiscal 2024 is provided in the Prevention and Health Promotion Administration (PHPA).

Key Observations

- ***Provider Rate Increases and the \$15 Minimum Wage:*** Governor Moore has proposed, the Fair Wage Act of 2023 (HB 549/SB 555), which would accelerate the minimum wage increase to \$15 per hour. The proposed legislation also accelerates mandated provider rate increases for most health providers scheduled for fiscal 2025 and 2026 into fiscal 2024 to align with the new timetable for the \$15 minimum wage. This additional funding is contingent on the enactment of this legislation.
- ***Opioid Restitution Fund (ORF):*** The fiscal 2023 working appropriation of the ORF under the MDH budget is approximately \$24.8 million, while ORF funds included in the fiscal 2024 allowance are just under \$30 million. There is a question of the overall schedule of settlement payments both to local jurisdictions and into the ORF and how the ORF has been appropriated across agencies and programs.

Operating Budget Recommended Actions

Funds

1. Add language restricting funds pending a report on the impact of the recent cybersecurity incident on agency operations including Health Occupation Boards.
 2. Add language restricting funds pending a report on Maryland Department of Health salaries, recruitment, and retention.
 3. Add language restricting funds pending a report on timely placement of court-involved patients.
 4. Add language restricting funds pending a report on the uniform reporting on patient and staff safety.
 5. Reduce the general and federal fund appropriations for provider reimbursements by 25% to align with the October 1, 2023 effective date of the increased minimum wage. -\$ 103,354,177
 6. Adopt narrative requesting a report on Opioid Restitution Fund revenues and expenditures
 7. Add language restricting funds pending a report on applications for admission to the chronic care hospitals and the Holly Center.
- Total Net Change** -\$ 103,354,177

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Administration
Maryland Department of Health

Operating Budget Analysis

Program Description

The MDH Administration budget analysis includes the Office of the Secretary, which is divided into the Executive Direction and Operations functions. These offices establish policies regarding health services and supervise the administration of the health laws of the State and its subdivisions while also providing for the main operations components of the entire department, including administrative, financial, IT, and general services (such as central warehouse management, inventory control, fleet management, space management, and management of engineering/construction projects).

The Operations function also oversees the State-run facilities: four regional adult psychiatric hospitals (Thomas B. Finan Hospital Center, Eastern Shore Hospital Center, Springfield Hospital Center, and Spring Grove Hospital Center (SGHC)); two Regional Institutes for Children and Adolescents (RICA) in Baltimore City and Rockville (RICA – Baltimore City and RICA – John L. Gildner, respectively); two chronic and long-term care hospitals (Western Maryland Hospital Center (WMHC) and Deer’s Head Hospital Center (DHHC)); as well as one maximum security forensic psychiatric hospital (Clifton T. Perkins Hospital Center (Perkins)). Beginning with fiscal 2023, the Developmental Disabilities Administration (DDA) facilities are also included in this analysis (Potomac Center and Holly Center) as well as the Secure Evaluation and Therapeutic Treatment (SETT) unit currently housed at the Potomac Center.

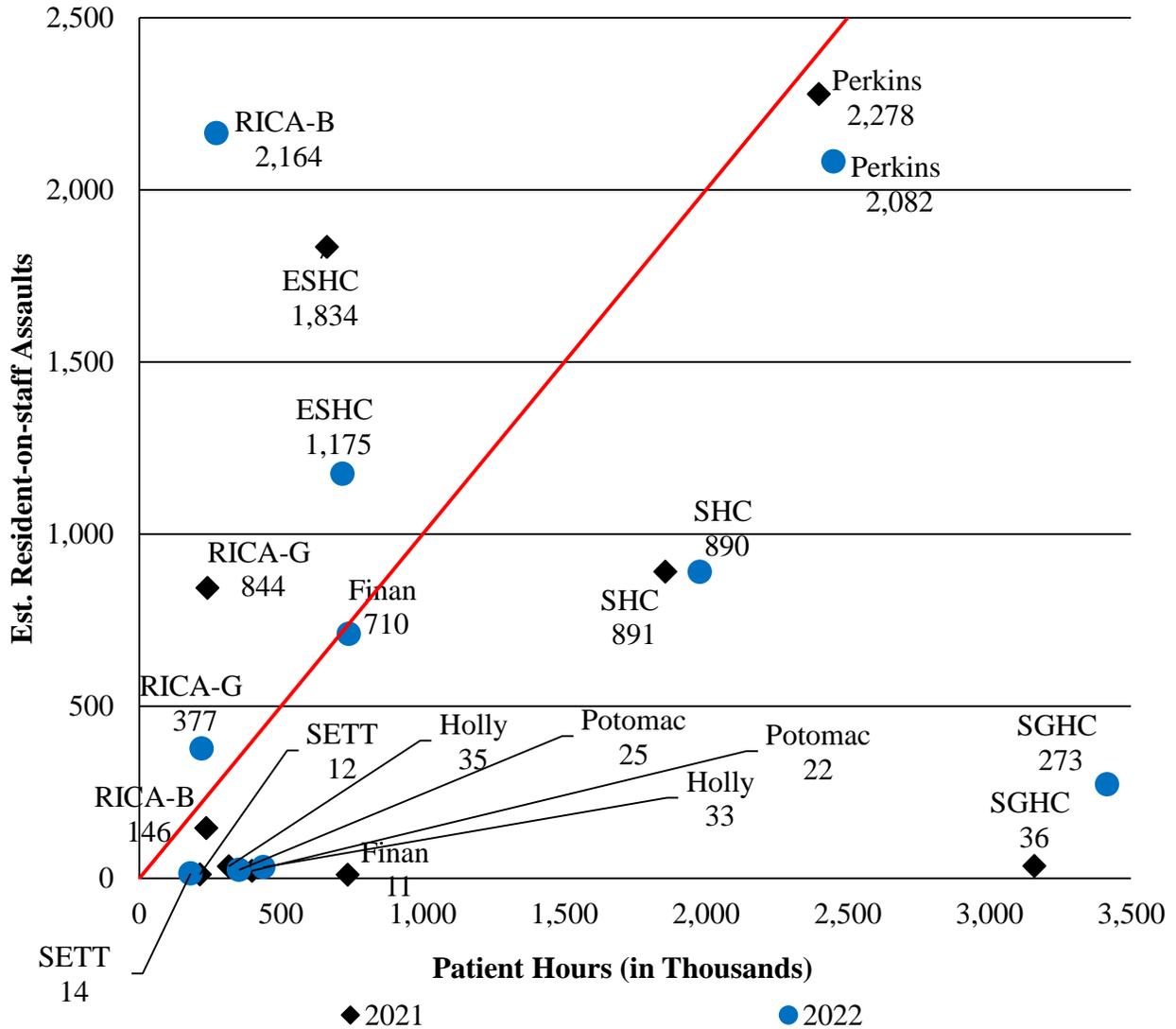
Other components of the Office of the Secretary include the Office of the Inspector General for Health, the Opioid Operational Command Center (OCCC), and the Office of Minority Health and Health Disparities (OMHHD) as well as special and federal fund major IT spending for the entire department, excluding Medicaid.

Performance Analysis: Managing for Results

1. Reported Patient-on-staff Assaults

The safety of the staff and residents at the State’s facility has been a focus of the performance measures tracked by MDH for the various facilities. **Exhibit 1** uses this data to compare the number of resident-on-staff assaults that occur within either Behavioral Health Administration (BHA) or DDA facilities. These numbers are then compared to the number of patient days for each facility. The department has set a goal of fewer than one resident-on-staff assault per 1,000 bed hours. In fiscal 2022, most institutions met this goal. Exceptions include the two RICA centers and Eastern Shore Hospital Center. While improvement was shown at Eastern Shore Hospital Center and RICA – John L. Gildner, RICA – Baltimore City, SGHC, and Thomas B. Finan Hospital Center each saw increases in assaults. **MDH should comment on any known reasons for these increases in reported patient-on-staff assaults at SGHC, Thomas B. Finan Hospital Center, and RICA – Baltimore City.**

**Exhibit 1
Patient and Staff Safety at Psychiatric Hospitals
Actual Fiscal 2021-2022**



ESHC: Eastern Shore Hospital Center
 RICA-B: Regional Institute for Children and Adolescents - Baltimore
 RICA-G: Regional Institute for Children and Adolescents – John L. Gildner (Montgomery)
 SETT: Secure Evaluation and Therapeutic Treatment
 SGHC: Spring Grove Hospital Center
 SHC: Springfield Hospital Center

Note: The red line represents the goal of one assault per 1000 patient hours

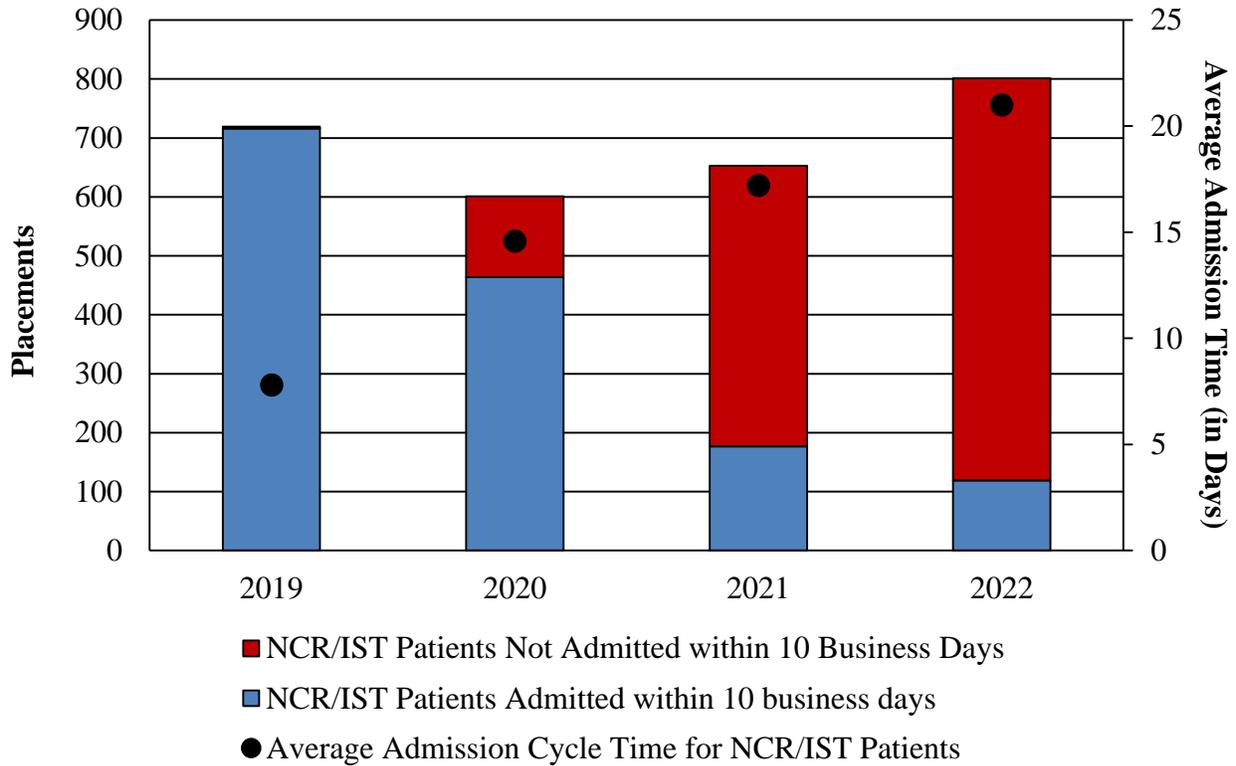
Source: Maryland Department of Health; Department of Budget and Management; Department of Legislative Services

During the 2022 session, the committees were concerned about inconsistent reporting across the MDH hospital system and requested that MDH submit a report on efforts to improve reporting on measures of patient and staff safety and recommendations for uniform measures of patient and staff safety. As of February 2023, this report has not been submitted, and while updated patient and staff safety data is included in the Managing for Results (MFR) data for fiscal 2024, a description of how the data for the measure is collected and processed to produce the reported rates is not included. **The Department of Legislative Services (DLS) recommends budget bill language restricting funds pending a report on patient and staff safety at MDH facilities.**

2. Admission Times for Court-ordered Placements and SETT

Chapters 188 and 189 of 2018 established a mandate for timely admission of individuals determined incompetent to stand trial (IST)/not criminally responsible (NCR). For patients not covered by Section 8-507 of the Health – General Article (drug treatment), this is 10 business days. For Section 8-507 patients who are being enrolled in an in-patient substance abuse treatment program, the requirement is 21 business days. As shown in **Exhibit 2**, MDH was initially successful in meeting the mandates. However, the average time to fill these placements and the number who have been placed within the 10-day period has dropped significantly each subsequent year. The number of placements meeting the mandate has fallen from 99.6% the first year of the mandate in fiscal 2019 to 77.2% in fiscal 2020, 27.1% in fiscal 2021, and finally 14.9% at the end of fiscal 2022. Language in the fiscal 2023 Budget Bill restricted funds until a report was submitted on the time to placement and efforts to improvement placement times. The report was due on October 1, 2022, which MDH requested be extended until January 1, 2023, but the report has not been submitted as of February 13, 2023. **Therefore, DLS recommends adding budget bill language restricting funds pending a report on the time to placement of court-involved patients and efforts to improve placement times.**

**Exhibit 2
NCR/IST Patient Admissions and Admission Times
Fiscal 2019-2022**

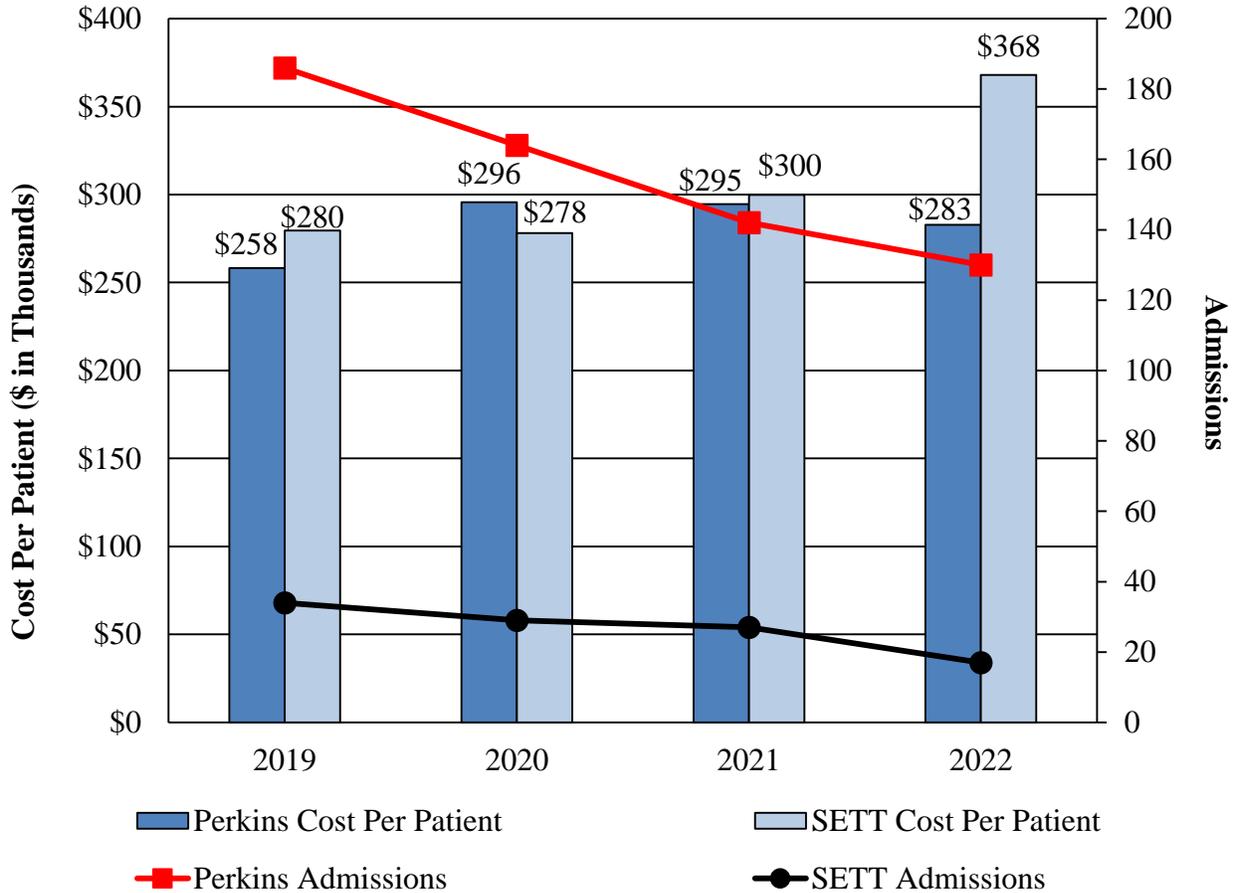


IST: incompetent to stand trial
NCR: not criminally responsible

Source: Maryland Department of Health; Department of Budget and Management; Department of Legislative Services

NCR and IST patients are managed through SETT in Potomac Center as well as in a specified unit at Perkins. At SETT in Potomac, 32 beds are operated to serve between 50 and 55 patients per year, and Perkins serves IST patients at an average of approximately 150 per year. Although SETT mostly serves IST patients (80% and 84% in fiscal 2021 and 2022), the total number of patients admitted to SETT has decreased since fiscal 2020. The number of IST patients admitted to Perkins has also decreased each year since fiscal 2019, and this is while costs per patient have increased each year at both institutions. **Exhibit 3** shows at various points costs per patient increasing along with the yearly number of patients served decreasing in both programs. The increase in cost per patient is most pronounced in fiscal 2022 for the SETT facility (an increase of nearly 23%). **MDH should comment on the reason for the increase in cost per patient at the SETT in fiscal 2022.**

**Exhibit 3
Admissions and Cost Per Patient for IST Patients at Perkins and the SETT
Fiscal 2019-2022**



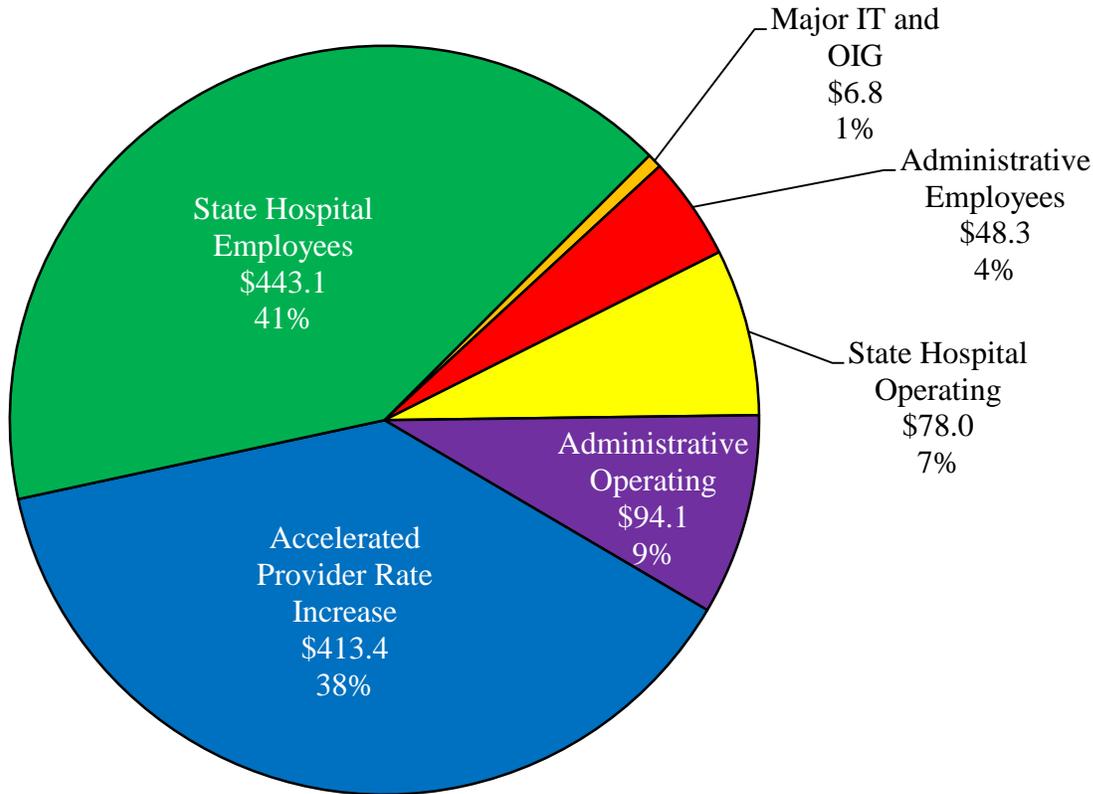
IST: incompetent to stand trial
 SETT: Secure Evaluation and Therapeutic Treatment

Source: Maryland Department of Health; Department of Budget and Management; Department of Legislative Services

Fiscal 2024 Overview of Agency Spending

The fiscal 2024 allowance for MDH Administration totals \$1.08 billion. As shown in **Exhibit 4**, the hospital system occupies 41% of the budget. Funding to support one-time accelerated provider rate increases comprises 38% of the fiscal 2024 allowance, discussed further in Issue 1.

Exhibit 4
Overview of Agency Spending
Fiscal 2024 Allowance
(\$ in Millions)



IT: information technology
OIG: Office of the Inspector General

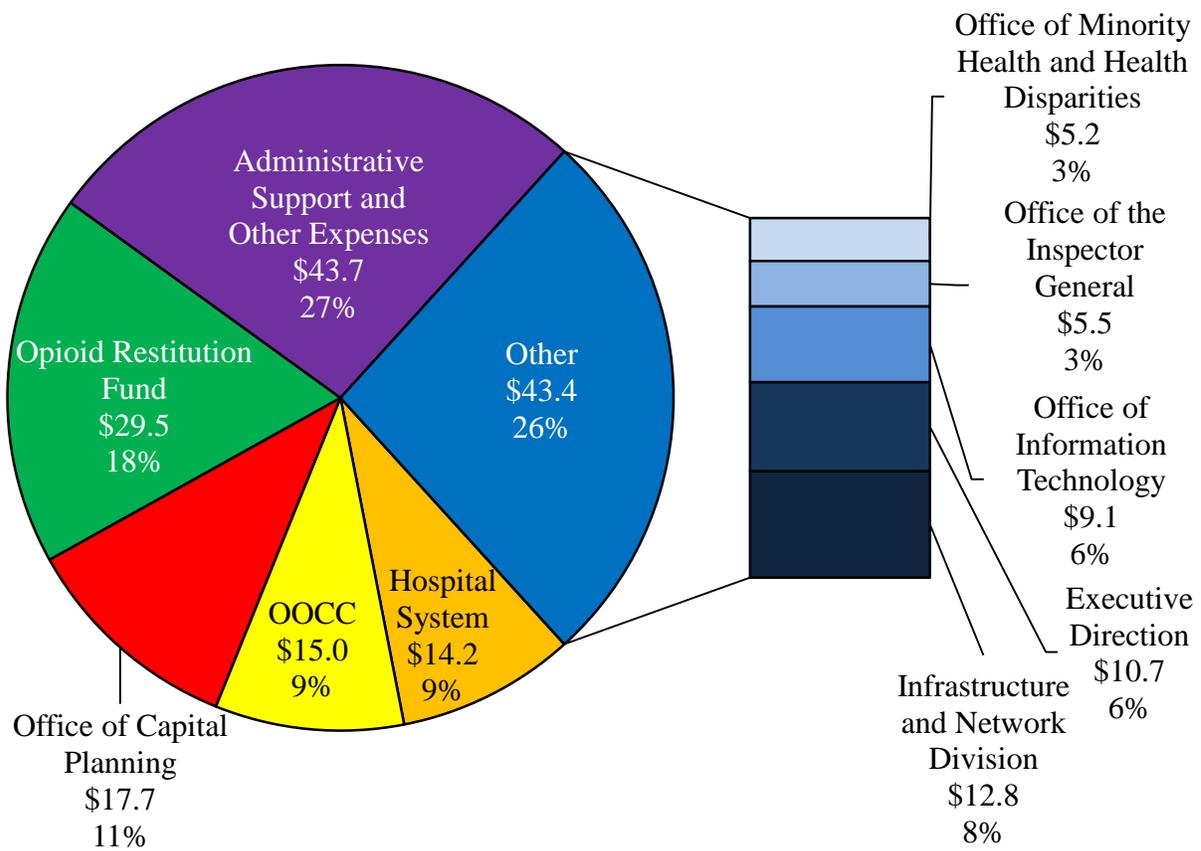
Note: The fiscal 2024 allowance does not reflect salary enhancements that are budgeted in the Statewide Account within the Department of Budget and Management.

Source: Governor’s Budget Books

Exhibit 5 provides information on the distribution of the fiscal 2024 allowance for administrative units only and excludes the accelerated provider rate increase. Overall, these components total \$163.4 million, of which general operations expenses at \$43.7 million occupy the largest portion, funding a variety of administrative activities such as communications, human resources, and legal services that serve the entire department. The several offices that support key oversight, support, or special program operations, namely the Office of Capital Planning,

OMHHD, the Infrastructure and Network Division, the hospital system administration, the Office of Information Technology, and the Office of the Inspector General, comprise 46% of the budget. This leaves the ORF and OOC at 18% of the budget (\$29.5 million) and 9% of the budget (\$15 million), respectively. The ORF is discussed further in Issue 2.

**Exhibit 5
Administrative Offices
Maryland Department of Health
Fiscal 2024
(\$ in Millions)**



OOC: Opioid Operational Command Center

Note: The fiscal 2024 allowance does not reflect salary enhancements that are budgeted in the Statewide Account within the Department of Budget and Management.

Source: Governor’s Budget Books

Proposed Budget Change

The fiscal 2024 allowance of MDH Administration increases by \$325.1 million compared to fiscal 2023 after accounting for the proposed statewide deficiency appropriation for the 4.5% employee cost-of-living adjustment provided in November 2022. As shown in **Exhibit 6**, the largest change in the MDH Administration budget in the fiscal 2024 allowance is \$413.4 million of combined general and federal funds for increased healthcare provider reimbursement rates, discussed further in Issue 1. This increase is partially offset by a decrease of \$121.5 million due to one-time fiscal 2023 grants from the DPA for hospital workforce support and assisted living. In addition, funding for the Pediatric Cancer Research Fund is shifted in the fiscal 2024 allowance to PHPA. In fiscal 2023 this funding was provided through the DPA, while in fiscal 2024, it is funded with general funds. The ORF also received new funding from the Purdue Pharma settlement, resulting in a \$4.8 million increase to the appropriation to the MDH Administration.

Exhibit 6
Proposed Budget
Maryland Department of Health – Administration
 (\$ in Thousands)

How Much It Grows:	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2022 Actual	\$503,360	\$48,933	\$60,683	\$17,035	\$630,012
Fiscal 2023 Working Appropriation	570,972	132,709	39,720	15,307	758,707
Fiscal 2024 Allowance	<u>818,858</u>	<u>37,080</u>	<u>211,268</u>	<u>16,600</u>	<u>1,083,806</u>
Fiscal 2023-2024 Amount Change	\$247,886	-\$95,629	\$171,548	\$1,294	\$325,099
Fiscal 2023-2024 Percent Change	43.4%	-72.1%	431.9%	8.5%	42.8%

Where It Goes:

Personnel Expenses

	<u>Change</u>
Employee and retiree health insurance	\$9,027
Annualization of November 2022 4.5% cost-of-living adjustment.....	4,602
Workers’ compensation.....	1,287
Employee retirement and LEOPS pension system.....	992
Social Security contributions.....	868
Additional assistance	286
New positions	260
Other fringe benefits.....	47
Turnover adjustments including an increase in turnover expectancy from 9.49% to 9.64%	-\$801

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Where It Goes:	<u>Change</u>
Salary and wage adjustments due to budgeting vacant positions at lower salaries and realigning funding supporting adjustments related to Chapter 572 and 576 of 2020 to other areas	-13,393
Hospital System Changes	
Medicine and drug cost increases due to inflation passed on from the wholesaler at 14.4% above fiscal 2023.....	1,098
Renewed somatic services contract reflecting new services, a higher patient volume, and a 5% adjustment for inflation.....	832
Utilities expenses at Perkins and Springfield	775
Food Services cost increases primarily to account for inflation at 6.7% above the prior year.....	754
Motor vehicle purchases and repairs, continuing hospital systemwide vehicle replacement that began in fiscal 2023.....	568
Deaf program and speech and hearing services at Springfield Hospital Center	428
Speech and hearing services for a new patient at the Potomac Center who requires sign language interpretation.....	373
Contractual services increase at the Potomac Center including software maintenance and licenses.....	332
Contractual service decrease in education services at RICA – Baltimore City, returning to pre-fiscal 2023 levels of funding.	-377
Decrease in utilities expenses due to Crownsville divestiture.....	-730
Energy conservation loan repayments at SGHC and Holly Center.....	-1,441
Other Changes	
Accelerated provider rate increases contingent on legislation to accelerate minimum wage increases.....	413,417
Redevelopment funds in the Office of Capital Planning for renovation projects across most of the state hospitals, expansion of OCME and SAB capacity in response to increased COVID-19 related deaths, and consulting services to support implementation of the Facilities Master Plan	11,178
106.32 new contractual FTE positions	7,109
Opioid restitution funds from Purdue Pharma Settlement.....	4,766
Other Operational Expenses	2,928
New contractual services for cybersecurity and IT infrastructure in the Office of Information Technology	2,100
Data processing and software maintenance, primarily from software license renewals and computer replacements	1,070
Cost allocation expenses.....	1,003
Rent increase at Office of Information Technology	247
Rent paid to the Department of General Services	-143
Electronic Vital Records Systems project development in fiscal 2023.....	-\$760

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Where It Goes:	<u>Change</u>
Maryland AIDS Drug Assistance Program Case Management System, general funds budgeted for project in Department of Information Technology in fiscal 2024	-2,105
Dedicated Purpose Account Funding of Legislative Priorities in Fiscal Year 2023	
Grant to Children’s National Hospital.....	-1,500
Pediatric Cancer Research (funded in PHPA with general funds at the same level in fiscal 2024)	-5,000
Grants to nursing homes	-20,000
Grants to assisted living facilities.....	-20,000
Assistance and workforce support to hospitals.....	-75,000
Total	\$325,099

- FTE: full-time equivalent
- IT: information technology
- LEOPS: Law Enforcement Officers’ Pension System
- OCME: Office of the Chief Medical Examiner
- PHPA: Prevention and Health Promotion Administration
- RICA: Regional Institute for Children and Adolescents
- SAB: State Anatomy Board
- SGHC: Spring Grove Hospital Center

Note: Numbers may not sum to total due to rounding. The fiscal 2023 working appropriation includes deficiency appropriations including this agency’s share of a deficiency appropriation budgeted in the Statewide Account within the Department of Budget and Management (DBM). Fiscal 2024 salary enhancements are budgeted in the Statewide Account within DBM.

Personnel Data

	<u>FY 22 Actual</u>	<u>FY 23 Working</u>	<u>FY 24 Allowance</u>	<u>FY 23-24 Change</u>
Regular Positions	3,937.30	3,925.80	3,928.30	2.50
Contractual FTEs	<u>320.16</u>	<u>238.06</u>	<u>344.38</u>	<u>106.32</u>
Total Personnel	4,257.46	4,163.86	4,272.68	108.82

Vacancy Data: Regular Positions

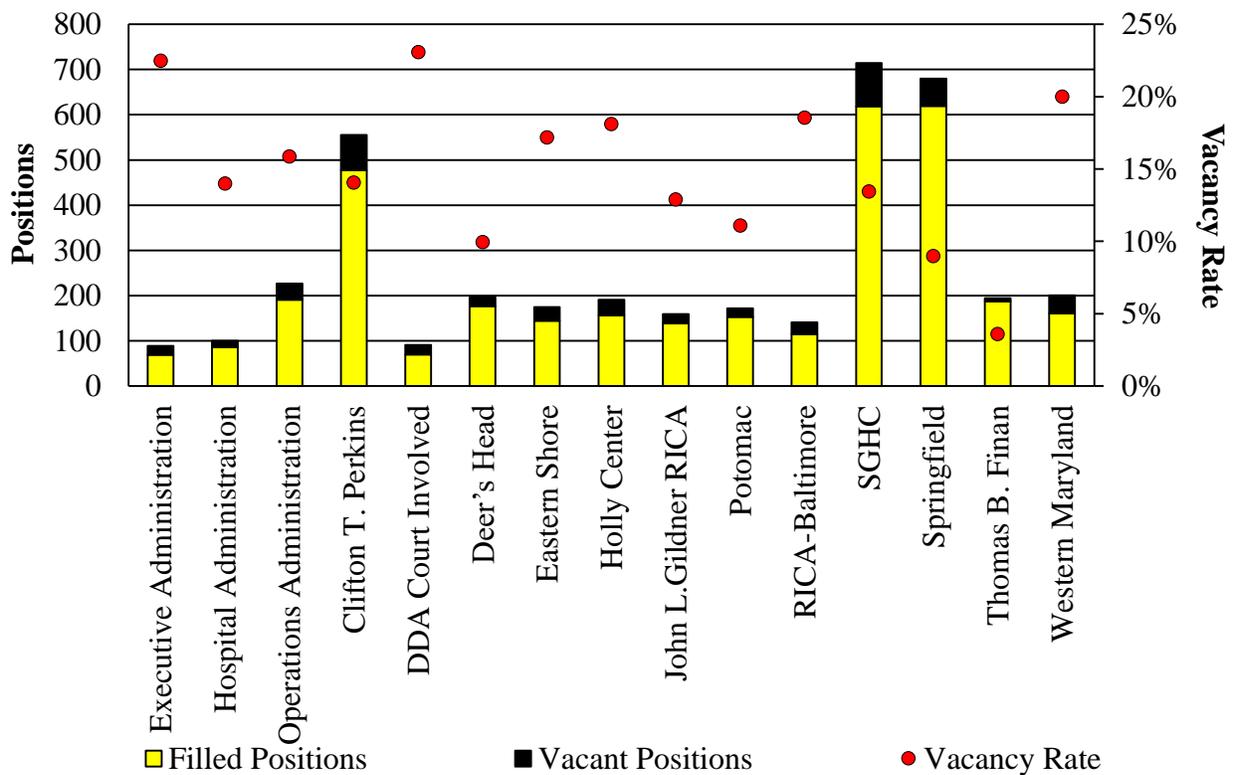
Turnover and Necessary Vacancies, Excluding New Positions	378.79	9.65%
Positions and Percentage Vacant as of 12/31/22	522.80	13.32%
Vacancies Above Turnover	144.01	

- The fiscal 2024 allowance includes 2.5 new regular positions in IT and human resources.
- As of December 31, 2022, the MDH Administration had 522.8 vacant positions – an increase of 15.1 since December 31, 2021. The number of vacancies over the budgeted turnover rate has increased from the number reported last year by 7.6, when a problem of high vacancy rates was already recognized.
- The increase of 106.32 full-time equivalent contractual employees includes 12.66 positions in the Public Health Workforce Program; 9.5 positions for the patient worker program at Perkins; 9 new counselor positions in Child and Adolescent Mental Health; 45.54 positions at RICA – Baltimore City, Eastern Shore Hospital Center, SGHC, and Perkins for security attendants to meet the guidelines of Chapters 572 and 576 of 2020; and the remainder in support positions such as fiscal services and contract monitoring and procurement.

Language in the fiscal 2023 Budget Bill restricted \$100,000 of the general fund appropriation pending a report about staffing at MDH. Specifically, the report was required to include comparisons of compensation between MDH positions and comparable positions at the federal and local government levels as well as in private and nonprofit health care, other benefits or incentives being offered for retention, efforts being made in recruitment of new staff, and any impacts of the Facilities Master Plan on the volume and distribution of staff. As of February 2, 2023, MDH had not yet submitted this report. **As a result, DLS recommends adding language restricting funds pending submission of this information in fiscal 2024.**

Exhibit 7 shows that vacancy rates, as of December 31, 2022, remain high across the budget assignment. Perkins and SGHC have the highest numbers of vacancies among MDH Administration programs, but also the highest number of employees along with Springfield Hospital Center. Specifically, Perkins has a vacancy rate of 14.1% (78 vacancies out of 477 positions) and SGHC has a vacancy rate of 13.4% (96.1 vacancies out of 618.5 positions). While these are still considered high, vacancy rates in the administration and DDA court-involved programs are both above 20%.

Exhibit 7
Vacancy Rates by Program
 December 31, 2022 (Authorized Positions in Fiscal 2023)



DDA: Development Disabilities Administration
 RICA-B: Regional Institute for Children and Adolescents – Baltimore
 RICA-G: Regional Institutes for Children and Adolescents – John L. Gildner
 SGHC: Spring Grove Hospital Center

Note: Excludes Office of the Inspector General, Office of Information Technology, and Facilities Maintenance.

Source: Governor’s Budget Books; Department of Budget and Management

Vacancy rates by job family reflect the trend shown in Exhibit 7, with the highest numbers of vacancies in administrative positions or health and human services and health care professionals, together comprising 266.8, or 51%, of the 522.8 vacancies.

Issues

1. Provider Reimbursement Rate Increases Contingent on Acceleration of the \$15 Minimum Wage

Chapter 10 of 2019 mandated yearly provider rate increases for developmental disability, behavioral health, and certain Medicaid providers for fiscal 2019 through 2026. These increases were to assist the providers in accommodating the required increases in the minimum wage required under Chapter 10. The minimum wage increase was to reach \$15 on January 1, 2025. The Fair Wage Act of 2023 (HB 549/SB 555) proposes to accelerate the increase in the minimum wage to \$15 on October 1, 2023.

The proposed legislation also removes the out-year mandates for the provider rate increase, as the fiscal 2024 budget accelerates these increases into fiscal 2024, contingent on the legislation. **Exhibit 8** shows the shift in the mandated provider rate increases that were scheduled for fiscal 2025 and 2026 into fiscal 2024.

Exhibit 8
Mandated Health Care Provider Rate Increases
Fiscal 2023-2026

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Medicaid and Developmental Disabilities Providers				
Current Law	4%	4%	4%	4%
Proposal		12%	0%	0%
Behavioral Health Community Providers				
Current Law	3.25%	3%	4%	4%
Proposal		11%	0%	0%

Note: Medicaid includes nursing home, medical day care, private duty nursing, personal care, home- and community-based services, and services provided through Community First Choice.

Source: Current law for the Maryland Developmental Disabilities Administration Section 7-307, Health – General Article; Behavioral Health Administration Section 16-201.3, Health – General Article; and Medicaid, Section 16-201.4.

Contingent on the enactment of legislation accelerating the minimum wage increase, the budget, as introduced, includes funds for these accelerated provider reimbursements, which will be allocated by provider type across Medicaid and the Maryland Children’s Health Program, BHA, and DDA as shown in **Exhibit 9**. Under HB 549/SB 555, the Administration bills to effectuate the

accelerated minimum wage increase, the \$15 per hour minimum wage would go into effect on October 1, 2023. However, the provider rate increase in funding as introduced is built on a full fiscal year. **To align the rate increases with the change in the minimum wage, DLS recommends reducing both the general and federal fund components of the provider reimbursement funds by 25% to align with the October 1, 2023 effective date of the increased minimum wage.**

Exhibit 9
Provider Reimbursement Rate Distribution by Provider Type

<u>Program</u>	<u>General</u>	<u>Federal</u>	<u>Total</u>
Medicaid and Maryland Children’s Health Program	\$86,897,956	\$92,621,954	\$179,519,910
Behavioral Health Administration	63,040,492	38,764,931	101,805,423
DDA Community Services	68,294,840	63,796,534	132,091,374
Total	\$218,233,288	\$195,183,419	\$413,416,707

DDA: Developmental Disabilities Administration

Source: Governor’s Budget Books; Department of Budget and Management

2. Opioid Restitution Fund

Chapter 537 of 2019 established the ORF as a central destination for incoming settlement funds from lawsuits against opioid manufacturers and distributors. It is one source of funding for a large network of public and private prevention and response programs in Maryland and is limited to the following uses:

- improving access to medications proven to prevent or reverse an overdose;
- supporting peer support specialists and screening, brief intervention, and referral to treatment services for hospitals, correctional facilities, and other high-risk populations;
- increasing access to medications that support recovery from substance use disorders (SUD);
- expanding the Heroin Coordinator Program, including administrative expenses;

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- expanding access to crisis beds and residential treatment services;
- expanding and establishing safe stations, mobile crisis response systems, and crisis stabilization centers;
- supporting the Health Crisis Hotline;
- organizing primary and secondary school education campaigns to prevent opioid use, including administrative expenses;
- enforcing the laws regarding opioid prescriptions and sales, including administrative expenses;
- research regarding and training for substance use treatment and overdose prevention, including administrative expenses; and
- supporting and expanding other evidence-based interventions for overdose prevention and substance use treatment.

Most major lawsuits have reached settlement in calendar 2021 and 2022 after being slowed by the pandemic, and some remain in the process of settlement as of January 2023. Just over 80% of the awarded funds from a McKinsey & Company settlement were deposited into the ORF in July 2021 with the remainder expected over the next three fiscal years. Settlements with Janssen and distributors McKesson, AmerisourceBergen, and Cardinal Health were finalized in February 2022; Mallinckrodt in June; a second McKinsey settlement in October 2022; and Teva and Allergan in December 2022. Initial payments for the February 2022 settlements were made in November 2022 and had been received by local governments as of mid-December 2022. A lawsuit against Purdue Pharma was settled in March 2022, and resulting funds appear in both the fiscal 2023 working appropriation and fiscal 2024 allowance, for the first 2 of 18 years of payments.

The fiscal 2024 MDH allowance includes \$29.6 million from the ORF. It is not clear if additional fund balance remains in the fund. MDH should update the committees on the remaining balance in the ORF. DLS recommends adopting committee narrative requesting a report on past, present, and anticipated future payments into the ORF and how payments have been distributed to local and State government agencies since the ORF was established.

Operating Budget Recommended Actions

1. Add the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation made for the purpose of administrative expenses may not be expended until Maryland Department of Health (MDH) submits a report to the budget committees detailing ongoing operational impacts of the cybersecurity incident on agency operations including specifically the impacts on the licensing and renewal activities of the Health Professional Boards and Commissions. The report should include for the impact on Health Professional Boards and Commission information on the number of licenses, renewals, and investigations that were delayed as a result of the incident as well as how MDH assisted the boards in addressing challenges in licensing processing and completing investigations that resulted from the impact of the incident on the systems of the Health Professional Boards and Commissions. The report shall be submitted by September 1, 2023, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be reverted if the report is not submitted to the budget committees.

Explanation: The 2022 Joint Chairmen’s Report included committee narrative requesting a report on the impact of the cybersecurity incident on the Health Professional Boards and Commissions. As of February 15, 2023, this report has not been submitted. This language restricts funds in the Executive Direction Program of MDH pending a report on any ongoing impacts on agency operations of the incident as well as specific information on the impact on the Health Professional Boards and Commissions.

Information Request	Author	Due Date
Report on ongoing operational impacts of the cybersecurity incident	MDH	September 1, 2023

2. Add the following language to the general fund appropriation:

Further provided that \$250,000 of this appropriation made for the purposes of Executive Direction may not be expended until the Maryland Department of Health (MDH) submits a report to the budget committees on staffing vacancies throughout MDH. The report shall address barriers to attracting and maintaining staff, including:

- (1) a comparison of compensation at MDH and other comparable administrative positions at the federal and local levels;

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- (2) a comparison of compensation of direct care staff to other private and nonprofit health care settings;
- (3) an evaluation of the impact of recent annual salary review adjustments and any other compensation benefits or incentives offered by MDH;
- (4) discussion of recruitment and retention strategies for the MDH workforce; and
- (5) the potential long-term impacts of the Facilities Master Plan on MDH staffing alignment.

The report shall be submitted by August 1, 2023, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purposes and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The committees are concerned about the persistently high vacancy rates in MDH. Language in the fiscal 2023 Budget Bill restricted funds pending a report on the reasons for vacancies and efforts to recruit and retain employees, which was to be submitted October 1, 2022. As of February 2, 2023, the report had not been submitted. As of December 31, 2022, the vacancy rate in the MDH Administration was 13.32%, overall higher than the same period the prior year, with high vacancy rates found in both direct care institutions and administration. This language restricts funds pending a report on barriers to recruitment and retention throughout MDH, including salary comparisons to other similar positions elsewhere in government or in different private or nonprofit care settings.

Information Request	Author	Due Date
MDH staffing and salary study	MDH	August 1, 2023

- 3. Add the following language to the general fund appropriation:

Further provided that \$250,000 of this appropriation made for the purposes of Executive Direction may not be expended until the Maryland Department of Health submits a report to the budget committees on the time to placement for court-involved patients and efforts to improve the timeliness of placement to align with statutorily required timeframes. The report shall be submitted by July 1, 2023, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purposes and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The budget committees were concerned with the increasing delays seen in the placement for court-involved patients. Language in the fiscal 2023 Budget Bill restricted funds pending a report on this topic to be submitted by October 1, 2022, but as of February 13, 2023, had not been submitted. The legislative mandates have been in place since fiscal 2019 requiring individuals who are either incompetent to stand trial (IST) or not criminally responsible (NCR) to be admitted within 10 business days. While this mandate was largely met in the first year, subsequent years have had longer placement times for IST/NCR patients, and according to Managing for Results data, performance declined further in fiscal 2022. This language restricts funding pending a report on the reasons for placement delays and the efforts being made to improve the timeliness of placement for NCR/IST patients within the legislatively mandated 10-day period.

Information Request	Author	Due Date
Efforts made to improve timeliness of NCR/IST placements	Maryland Department of Health	July 1, 2023

4. Add the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation made for the purposes of Executive Direction may not be expended until the Maryland Department of Health submits a report on patient and staff safety, including how the Managing for Results data and measures are collected and calculated. The report shall be submitted by September 1, 2023, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purposes and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Committee narrative in the 2022 Joint Chairmen’s Report requested that the Maryland Department of Health (MDH) submit a report on efforts to improve reporting on measures of patient and staff safety and recommendations for uniform measures of patient and staff safety. Although updated Managing for Results (MFR) data was submitted for fiscal 2024, as of February 13, 2023, MDH had not submitted the associated report. and there is no description of how the data for the measure is collected and processed to produce the reported rate data in the MFR.

Information Request	Author	Due Date
Uniform reporting of patient and staff safety measures	MDH	September 1, 2023

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	Amount	
	<u>Change</u>	
5. Reduce funds for the acceleration of provider rate increases. The funding in the fiscal 2024 allowance was provided for the full fiscal year, while the effective date of the \$15 minimum wage would be October 1, 2023. This action reduces the funding for acceleration of provider rate increases by 25% to align funds with the effective start date of the new requirement.	-\$ 54,558,322	GF
	-\$ 48,795,855	FF
6. Adopt the following narrative:		

Opioid Restitution Fund (ORF) Revenues and Expenditures: The Maryland Department of Health (MDH) has reported a schedule of payments into the ORF and to local jurisdictions in fiscal 2023 resulting from the Janssen and Distributors lawsuit settlement. The Office of the Attorney General (OAG) has also published a full schedule and table of distributed funds across jurisdictions for this specific settlement. However, there are several other lawsuits that have been settled, including the McKinsey & Company and Purdue Pharma lawsuits for which there are records of contribution to the ORF, including in information published by OAG. Therefore, the committees request that the MDH submit a report including the following:

- a summary history of settlements that have contributed to the ORF since its institution in 2019 and a schedule of settlement funds received and anticipated separately by settlement and fiscal year;
- a breakdown of settlement fund distribution across local and State governments separately by settlement and fiscal year; and
- how ORF funds, if any, were used by State agencies in fiscal 2019 through 2022. This description should include the program and subprogram where the described expenditures occurred; and
- actual and projected closing fund balances for fiscal 2022 through 2024.

Information Request	Author	Due Date
ORF revenues and expenditures	MDH	October 1, 2023

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7. Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purposes of hospital administration may not be expended until the Maryland Department of Health (MDH) submits a report on the number of applications and admissions for chronic care hospitals and the Holly Center, including the following information:

- (1) the number of applicants, by program, service line, and facility separately by year since calendar 2017;
- (2) the number of these applicants, by program, service line, and facility who were ultimately admitted to these facilities separately by year since calendar 2017;
- (3) for applicants not admitted, the top reasons for failure to admit, by program, service line, and facility, separately by year since calendar 2017;
- (4) efforts being made by MDH, if any, to increase program participation and number of applicants into programs at these facilities;
- (5) overall licensed bed capacity by program, service line, and facility annually separately by year 2017; and
- (6) average daily staffed bed capacity by program, service line, and facility separately by year since calendar 2017.

The report shall be submitted by August 1, 2023, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purposes and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The committees are interested in the number of applicants seeking admission into either of the State’s chronic care hospitals at Deer’s Head Hospital Center (DHHC) and Western Maryland Hospital Center (WMHC) as well as the Holly Center. In particular, the committees are interested in the share of applicants to these facilities that ultimately receive services, the extent to which outstanding need exists for these services, and what efforts can be made to increase service utilization. Committee narrative in the 2022 Joint Chairmen’s Report requested a report on this information, which was due on July 1, 2022. As of February 13, 2023, this report had not been submitted. This language restricts funds pending a report on the applications, admissions, and bed capacity for the chronic care hospitals and Holly Center.

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Information Request	Author	Due Date
Report on applicants and capacity at WMHC, DHHC, and Holly Center	MDH	August 1, 2023
Total Net Change		-\$ 103,354,177
Total General Fund Net Change		-\$ 54,558,322
Total Federal Fund Net Change		-\$ 48,795,855

Appendix 1 2022 Joint Chairmen’s Report Responses from Agency

The 2022 *Joint Chairmen’s Report* (JCR) requested that the MDH Office of the Secretary prepare seven reports. Electronic copies of the full JCR responses can be found on the DLS Library website.

- ***MDH Staffing and Salary Study:*** The committees were concerned about the persistently high vacancy rates in MDH found in both direct care and administration. Language in the fiscal 2023 Budget Bill restricted \$100,000 in general funds until MDH submitted a report on staffing vacancies, recruitment efforts, and retention. It was to include salary comparisons to other similar positions elsewhere in government or private healthcare. The report was due October 1, 2022, and as of February 13, 2023, had not yet been submitted.
- ***Report on Recoupment, Forgiveness, and Identification of Amounts to Be Recouped:*** The committees requested that MDH submit a report on BHA Administrative Services Organization overpayment recoupment, forgiveness, and identification of amounts to be recouped for overpayments. The report was due August 1, 2022, and was submitted September 13, 2022. This is discussed further in the operating analysis for MDH BHA – M00L.
- ***Efforts Made to Improve Timeliness of Placements for NCR or IST Individuals:*** The committees were concerned with the increasing delays seen in court-involved placements, where a legislative mandate requires admission within 10 days. Language in the fiscal 2023 Budget Bill restricted \$100,000 in general funds until MDH submitted a report on efforts to improve timeliness of placements for individuals who are either NCR or IST. This report was due October 1, 2022, and as of February 13, 2023, had not yet been submitted.
- ***Uniform Reporting on Patient and Staff Safety:*** The committees were concerned about the inconsistent reporting measures on patient and staff safety across the hospital system. MDH was required to submit a report on recommendations for uniform reporting of patient and staff safety measures. The recommended performance measures were to be included in the annual MFR submissions beginning with the fiscal 2024 budget submission. While updated MFR data was submitted with the fiscal 2024 budget, the report on recommendations for uniform reporting has not been submitted as of February 13, 2023.
- ***Report on Divestiture from the Upper Shore Hospital Center and Inpatient SUD Need:*** The committees were interested in the impacts to the A.F. Whitsitt Center in divestiture of the former Upper Shore Hospital Center. The report was due October 1, 2022, and was submitted November 17, 2022. It includes data on the number of patients served by different programs at the Upper Shore Community Mental Health Center and distribution of patient county of residence.

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- ***Report on Applicants and Capacity at WMHC, DHHC, and Holly Center:*** The committees were interested in the number of applicants seeking admission and accepted into the State’s chronic care hospitals, including DHHC, WMHC, as well as the Holly Center. The report was also to include what efforts are being made to increase service utilization. The report was due July 1, 2022, and as of February 13, 2023, had not yet been submitted.

Appendix 2
Audit Findings
Intellectual Disabilities Residential Centers

Audit Period for Last Audit:	Holly Center: September 28, 2018, to June 30, 2021 Potomac Center: May 18, 2017, to June 30, 2021 SETT Program: May 1, 2018, to June 30, 2021
Issue Date:	October 2022
Number of Findings:	5
Number of Repeat Findings:	0
% of Repeat Findings:	0%
Rating: (if applicable)	n/a

Finding 1: The Potomac Center obtained nursing services using contracts that had been fully expended and/or expired. In addition, the related invoices were not adequately verified and were paid using improper payment methods.

Finding 2: The Holly Center prepayment review of amounts invoiced for nursing services was not sufficiently comprehensive.

Finding 3: Ten Holly Center employees potentially violated State ethics law and MDH policy by having secondary employment with vendors that provided services to the Holly Center, including one employee that participated in the oversight of these vendors.

Finding 4: The Potomac Center and the Holly Center had not established adequate controls to ensure the propriety of payroll transactions, including adjustments to employee pay and leave balances.

Appendix 3
Audit Findings
Regional Institutes for Children and Adolescents

Audit Period for Last Audit:	May 15, 2017, to March 31, 2021
Issue Date:	July 2022
Number of Findings:	5
Number of Repeat Findings:	1
% of Repeat Findings:	20%
Rating: (if applicable)	n/a

Finding 1: Both RICA – John L. Gildner and RICA – Baltimore City did not consolidate procurements for similar goods and services, resulting in the failure to maximize each’s leverage as a high-volume purchaser and the circumvention of certain oversight.

Finding 2: **The RICAs did not competitively procure certain goods and services, did not always have written contracts, and did not verify the propriety of invoices prior to payment.**

Finding 3: Redacted cybersecurity-related finding.

Finding 4: The RICAs did not have agreements with their respective affiliated foundation to address each entities’ roles and responsibilities.

Finding 5: Procedures and controls over cash receipts at RICA – Baltimore City were not sufficiently comprehensive.

*Bold denotes item repeated in full or part from preceding audit report.

Appendix 4
Non-Medicaid Case Management
(Customer Relationship Management) Modernization
Major Information Technology Project
Maryland Department of Health

New/Ongoing: Ongoing								
Start Date: July 2021					Est. Completion Date: June 30, 2024			
Implementation Strategy: Agile								
(\$ in Millions)	Prior Year	2023	2024	2025	2026	2027	Remainder	Total
GF	\$0.000	\$0.000	\$1.050	\$10.529	\$10.185	\$18.469	\$0.000	\$40.233
Total	\$0.000	\$0.000	\$1.050	\$10.529	\$10.185	\$18.469	\$0.000	\$40.233

- **Project Summary:** The customer relationship management (CRM) solution will be the key tool used to support MDH business process improvement and organizational change efforts. As the State engages in business process re-engineering activities, it will leverage the CRM to support the new operational workflows and provide management reporting. This project includes a number of subprojects supporting services across MDH agencies.
- **Need:** MDH reports inefficiencies in management software for the following programs: Office of Procurement and Support Services Contracts Tracking system; Office of Population Health Improvement – Community Health Worker Certification Program, J1 Visa Tracking, and Maryland Loan Assistance Repayment Program; Shared Service Hospitals – replacement of 50+ legacy systems for hospital operations; Public Health Services – outbreak reporting system, cancer screening and tracking system, and sickle cell and birth defects; Office of Controlled Drug Substance Abuse.
- **Observations and Milestones:** The Governor’s Budget Books Appendix N reports that strategic goals associated with this project are currently still in development.
- **Changes:** This project has received funding in the fiscal 2024 budget allowance after being delayed by further planning over fiscal 2022 and 2023. MDH reported on February 13, 2022, that the project was resubmitted to the Department of Information Technology during fiscal 2023 and remains in planning.

Appendix 5
Statewide Electronic Health Records
Major Information Technology Project
Maryland Department of Health

New/Ongoing: Ongoing							
Start Date: February 2017				Est. Completion Date: Fiscal 2024			
Implementation Strategy: Agile							
(\$ in Millions)	Prior Year	2023	2024	2025	2026	Remainder	Total
GF	\$15.365	\$0.050	\$10.670	\$15.027	\$6.947	\$0.000	\$48.059
Total	\$15.365	\$0.050	\$10.670	\$15.027	\$6.947	\$0.000	\$48.059

- **Project Summary:** MDH aims to modernize its hospital information management systems by finding a customizable off-the-shelf system that will at least have the functionality of the International Statistical Classification of Disease diagnostic coding, medication ordering, clinical noting, treatment planning, incident reporting, and discharge planning. The electronic health records will need to be accessed by State hospitals, local health departments, and MDH administrative staff.
- **Need:** The software currently in use for the pharmacy component of the department’s health records has been sunset by the vendor, and the rate of increase in these maintenance costs has increased at unsustainable rates.
- **Observations and Milestones:** MDH reported needing to re-baseline the project due to the cancellation of the initial request for proposals (RFP). This cancellation was a result of an MDH analysis that found additional work needs to be added to the project scope, including power and Internet capacity upgrades to the hospitals.
- **Changes:** This project was delayed compared to information presented with the fiscal 2022 budget at a significant expense. The most recent RFP was released in July 2022 and closed on September 21, 2022. As of January 2023, the agency was evaluating submitted vendor proposals and looking toward implementation after approval by the Board of Public Works (BPW).

Appendix 6
Integrated Electronic Vital Records Registration System
Major Information Technology Project
Maryland Department of Health

New/Ongoing: Ongoing							
Start Date: July 2018				Est. Completion Date: Fiscal 2025			
Implementation Strategy: Agile							
(\$ in Millions)	Prior Year	2023	2024	2025	2026	Remainder	Total
GF	\$12.249	\$4.090	\$0.068	\$1.661	\$0.000	\$0.000	\$18.068
FF	0.000	2.110	1.350	0.000	0.000	0.000	3.460
Total	\$12.249	\$6.200	\$1.418	\$1.661	\$0.000	\$0.000	\$21.528

- Project Summary:** This project will modify the code for the existing California Integrated Vital Records System to Maryland’s specifications and allow it to run on the Maryland Total Human-services Integrated Network (MD THINK) platform. This system will contain modules to allow secure web-based entry of all birth and fetal death records along with the import of marriage and divorce records. The system will also support the search, retrieval, and issuance of certificates based upon these records, including modules to track the acceptance of fees and the use of security paper. This new system will be integrated with the existing Maryland Electronic Death Registration System, previously customized from California’s death registration system.
- Need:** The current electronic birth registration system is not maintainable, cumbersome for users to access, and difficult to keep secure. It cannot be extended to provide the Motor Vehicle Administration (MVA) with limited access to issue birth certificates as authorized under statute. The current fetal death system is paper-based and results in long delays for these registrations.
- Observations and Milestones:** MDH reports that the pilot program for obtaining birth certificate documents at MVA locations to support REAL ID went live in March 2021. Legacy systems were also duplicated in MD THINK to prevent loss of data, with the legacy birth system going live in June 2021. The project was delayed through fiscal 2022, and funds from a U.S. Centers for Disease Control and Prevention grant were appropriated to restart the project in fiscal 2023.
- Changes:** As of January 2023, the agency reported a reduction in estimated total project cost due to identifying opportunities for software and hardware reuse as well as overall more efficient than expected performance by the contractor. As of February 2023, the migration of the Legacy Birth system, Legacy Death system, and the MVA REAL ID interim solution are live on the MD THINK platform. The Birth System, Work Order Management, GeoCoding for the Vital Statistics Administration, and the Fetal Death

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systems are targeted to be migrated and modernized in calendar 2023. The remaining initiative to modernize the death system is targeted for completion by calendar 2025.

Appendix 7
Migrate MDH Headquarters Data Center to the Cloud
Major Information Technology Project
Maryland Department of Health

New/Ongoing: Ongoing							
Start Date: September 2018				Est. Completion Date: Fiscal 2024			
Implementation Strategy: Agile							
(\$ in Millions)	Prior Year	2023	2024	2025	2026	Remainder	Total
GF	\$10.369	\$6.595	\$2.094	\$4.298	\$0.000	\$0.000	\$23.356
Total	\$10.369	\$6.595	\$2.094	\$4.298	\$0.000	\$0.000	\$23.356

- **Project Summary:** The project will include a phased shift of all the applications currently in the MDH Headquarters data center to a Cisco cloud solution in a private TierPoint data center.
- **Need:** MDH currently maintains a data center that is challenging to operate because this function is outside of the department’s core competency. In addition, MDH reports that this project and the new environment for data storage will reduce the department’s vulnerability to cybersecurity threats.
- **Observations and Milestones:** MDH reports having completed an on-schedule movement of the business unit physical servers from State Center to an outside facility and the removal of all hardware that is now surplus from the data center.
- **Changes:** MDH reported on February 13, 2023, that the MDH headquarters data center migration to the TierPoint Data Center was complete. The next phase is application analysis and prioritization, to be completed by the end of fiscal 2023. The subsequent phase is application modernization, which will take place over fiscal 2024 and 2025.

Appendix 8
Voice over Internet Protocol Conversion
Major Information Technology Project
Maryland Department of Health

New/Ongoing: Ongoing							
Start Date: July 2021				Est. Completion Date: July 2026			
Implementation Strategy: Agile							
(\$ in Millions)	Prior Year	2023	2024	2025	2026	Remainder	Total
GF	\$1.797	\$1.050	\$2.545	\$2.746	\$0.685	\$0.000	\$8.823
SF	1.500	0.000	0.000	0.000	0.000	0.000	1.500
Total	\$3.297	\$1.050	\$2.545	\$2.746	\$0.685	\$0.000	\$10.323

- **Project Summary:** MDH currently uses Private Branch Exchange (PBX) based telecom technology that is at the end of life. MDH has a total of 5,500 phones in 18 facilities with 15 of those sites using end-of-life PBX systems. This project, when completed, will move the phones at all 18 sites to a hybrid Voice over Internet Protocol (VoIP) based environment.
- **Need:** MDH has a critical need to fully replace aging PBX systems and aging copper line infrastructure. Many of the State’s larger hospital facilities have lost telecommunication capabilities due to aging copper infrastructure, and in most cases, staff are using mobile devices since MDH can no longer provide service. MDH can no longer find parts to repair existing PBX systems. Replacing such units is not as cost effective as upgrading to a hybrid VoIP environment. MDH is moving to new customer service software platform and adopting and integrating a new hybrid VoIP environment will allow MDH to achieve this goal.
- **Changes:** The project was reviewed, and new contract approved by BPW on January 4, 2023, to begin work February 10, 2023. The new contract is for three years with two one-year renewal options. This includes a plan to upgrade 4 facilities in fiscal 2024, 4 in fiscal 2025, and 3 in fiscal 2026, for a total of 11 facility VoIP upgrades.

Appendix 9
Object/Fund Difference Report
Maryland Department of Health – Administration

<u>Object/Fund</u>	<u>FY 22</u> <u>Actual</u>	<u>FY 23</u> <u>Working</u> <u>Appropriation</u>	<u>FY 24</u> <u>Allowance</u>	<u>FY 23 - FY 24</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
Positions					
01 Regular	3,937.30	3,925.80	3,928.30	2.50	0.1%
02 Contractual	320.16	238.06	344.38	106.32	44.7%
Total Positions	4,257.46	4,163.86	4,272.68	108.82	2.6%
Objects					
01 Salaries and Wages	\$ 418,211,938	\$ 458,164,664	\$ 470,543,975	\$ 12,379,311	2.7%
02 Technical and Special Fees	24,798,278	18,726,679	26,138,654	7,411,975	39.6%
03 Communication	1,991,538	1,872,197	1,972,724	100,527	5.4%
04 Travel	227,887	295,387	372,903	77,516	26.2%
06 Fuel and Utilities	11,734,823	9,996,976	9,500,955	-496,021	-5.0%
07 Motor Vehicles	1,086,217	1,007,687	1,575,402	567,715	56.3%
08 Contractual Services	132,602,149	98,760,436	476,665,865	377,905,429	382.6%
09 Supplies and Materials	19,971,011	24,366,598	25,955,931	1,589,333	6.5%
10 Equipment – Replacement	1,150,886	1,761,176	1,862,071	100,895	5.7%
11 Equipment – Additional	620,299	522,260	758,865	236,605	45.3%
12 Grants, Subsidies, and Contributions	11,684,519	125,361,408	48,623,088	-76,738,320	-61.2%
13 Fixed Charges	3,204,340	3,365,214	3,657,305	292,091	8.7%
14 Land and Structures	2,727,907	5,000,000	16,177,963	11,177,963	223.6%
Total Objects	\$ 630,011,792	\$ 749,200,682	\$ 1,083,805,701	\$ 334,605,019	44.7%
Funds					
01 General Fund	\$ 503,360,092	\$ 561,584,919	\$ 818,857,539	\$ 257,272,620	45.8%
03 Special Fund	48,933,176	132,670,509	37,080,345	-95,590,164	-72.1%
05 Federal Fund	60,683,089	39,638,612	211,267,667	171,629,055	433.0%
09 Reimbursable Fund	17,035,435	15,306,642	16,600,150	1,293,508	8.5%
Total Funds	\$ 630,011,792	\$ 749,200,682	\$ 1,083,805,701	\$ 334,605,019	44.7%

Note: The fiscal 2023 appropriation does not include deficiencies. The fiscal 2024 allowance does not include salary adjustments budgeted within the Department of Budget and Management.

Appendix 10
Fiscal Summary
Maryland Department of Health – Administration

<u>Program/Unit</u>	<u>FY 22</u> <u>Actual</u>	<u>FY 23</u> <u>Wrk Approp</u>	<u>FY 24</u> <u>Allowance</u>	<u>Change</u>	<u>FY 23 - FY 24</u> <u>% Change</u>
01 Unknown Title	\$ 0	\$ 4,817,774	\$ 5,496,200	\$ 678,426	14.1%
01 Executive Direction	60,406,951	185,076,635	482,949,274	297,872,639	160.9%
02 Financial Management Administration	83,412,209	50,377,182	72,903,116	22,525,934	44.7%
07 MDH Hospital System	10,901,691	11,515,042	14,170,589	2,655,547	23.1%
08 Major IT Projects	11,072,929	4,214,812	1,350,000	-2,864,812	-68.0%
01 Services and Institutional Operations	24,160,487	26,083,923	26,268,574	184,651	0.7%
01 Services and Institutional Operations	24,623,913	24,430,735	25,467,842	1,037,107	4.2%
01 Services and Institutional Operations	25,853,952	26,900,386	28,443,702	1,543,316	5.7%
01 Services and Institutional Operations	20,372,983	22,301,411	23,569,347	1,267,936	5.7%
01 Services and Institutional Operations	23,786,371	26,372,501	27,696,831	1,324,330	5.0%
01 Services and Institutional Operations	85,732,601	92,669,842	97,277,393	4,607,551	5.0%
01 Services and Institutional Operations	109,673,483	107,374,204	116,138,910	8,764,706	8.2%
01 Services and Institutional Operations	81,662,484	91,674,838	87,934,030	-3,740,808	-4.1%
01 Services and Institutional Operations	17,699,679	20,158,835	19,098,988	-1,059,847	-5.3%
01 Behavioral Health Administration	2,180,159	1,464,998	791,185	-673,813	-46.0%
01 Services and Institutional Operations	18,749,917	20,457,862	20,331,857	-126,005	-0.6%
01 Court Involved Service Delivery	7,726,286	9,985,175	9,949,866	-35,309	-0.4%
01 Potomac Center	21,336,532	22,505,642	23,074,608	568,966	2.5%
01 Services and Institutional Operations	659,165	818,885	893,389	74,504	9.1%
Total Expenditures	\$ 630,011,792	\$ 749,200,682	\$ 1,083,805,701	\$ 334,605,019	44.7%
General Fund	\$ 503,360,092	\$ 561,584,919	\$ 818,857,539	\$ 257,272,620	45.8%
Special Fund	48,933,176	132,670,509	37,080,345	-95,590,164	-72.1%
Federal Fund	60,683,089	39,638,612	211,267,667	171,629,055	433.0%
Total Appropriations	\$ 612,976,357	\$ 733,894,040	\$ 1,067,205,551	\$ 333,311,511	45.4%
Reimbursable Fund	\$ 17,035,435	\$ 15,306,642	\$ 16,600,150	\$ 1,293,508	8.5%
Total Funds	\$ 630,011,792	\$ 749,200,682	\$ 1,083,805,701	\$ 334,605,019	44.7%

Note: The fiscal 2023 appropriation does not include deficiencies. The fiscal 2024 allowance does not include salary adjustments budgeted within the Department of Budget and Management.