

**M00L**  
**Behavioral Health Administration**  
 Maryland Department of Health

***Executive Summary***

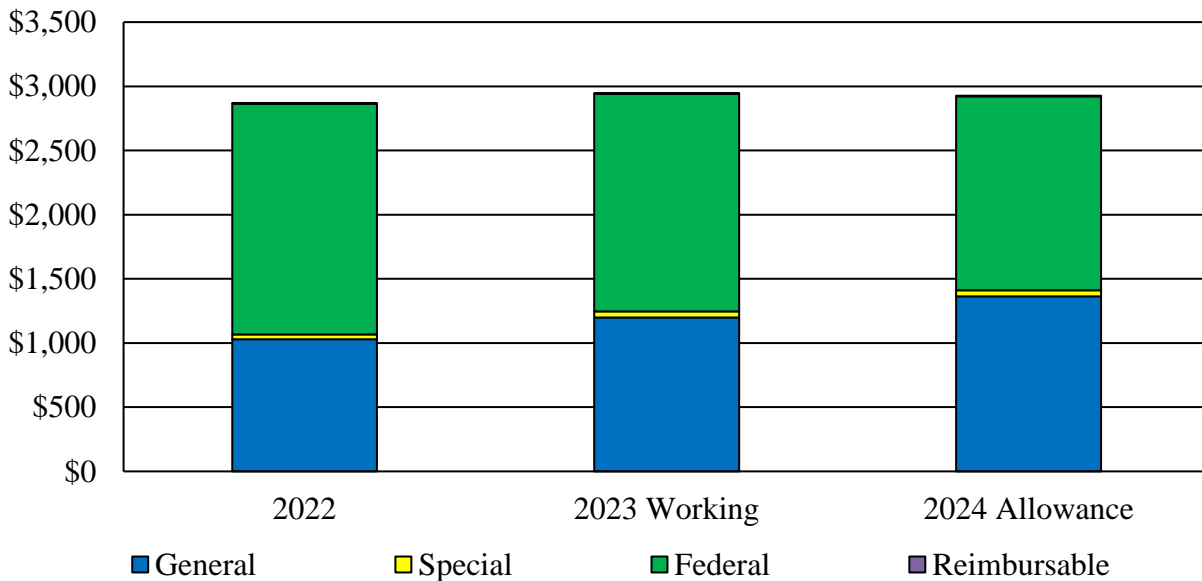
---

The Maryland Department of Health (MDH) Behavioral Health Administration (BHA) is responsible for the treatment and rehabilitation of the mentally ill, individuals with substance use disorders (SUD), problem gambling disorders, and those with cooccurring mental illness and substance use and/or problem gambling disorder. The BHA budget also reflects provider reimbursements for specialty behavioral health services to Medicaid beneficiaries and the uninsured through the Public Behavioral Health System (PBHS), which is managed through an Administrative Services Organization (ASO). The BHA budget does not reflect the State-run psychiatric facilities, which are included under MDH Administration along with the other State hospitals and residential centers.

***Operating Budget Summary***

---

**Fiscal 2024 Budget Decreases \$20.1 Million, or 0.7%, to \$2.93 Billion**  
 (\$ in Millions)



Note: 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. The fiscal 2023 working appropriation also includes a planned reversion.

For further information contact: Samantha M. Tapia

Samantha.Tapia@mlis.state.md.us

### *M00L – MDH – Behavioral Health Administration*

- The fiscal 2024 allowance of BHA decreases by a net \$20.1 million. The net change is driven by an increase in general funds of approximately \$165.9 million, more than offset by decreases in special funds (\$2.3 million) and federal funds (\$183.9 million). The net decrease primarily results from decreases in provider reimbursements due to anticipated declines in Medicaid enrollment as the freeze on disenrollments concludes effective April 1, 2023. The increase in general funds and decreases in federal funds are impacted by the phase-out of the enhanced federal medical assistance percentage (FMAP) that has been available during the national public health emergency but is set to be phased down beginning April 1, 2023, due to the federal Consolidation Appropriations Act of 2023.
- The fiscal 2024 allowance includes \$70 million in general funds for unspecified behavioral health investments on top of an \$8 million proposed deficiency appropriation for these investments.
- The fiscal 2024 budget includes eight proposed deficiency appropriations for BHA totaling a net \$311.8 million, including the \$8 million for unspecified behavioral health investments. The largest of the proposed deficiency appropriations (\$256 million) primarily supports Medicaid behavioral health provider reimbursements. A proposed deficiency totaling \$67.5 million for community services primarily supports residential SUD services. Additional deficiencies total \$0.7 million in general funds to backfill stimulus funds for the Mid-Shore Traffic Control Platform and continue a contract with Sheppard Pratt Hospital for a referral system and outreach and access program. These increases are partially offset by a negative deficiency of \$20.3 million as a policy change allows new Medicaid coverage for some inpatient hospital services. The remaining proposed deficiency appropriation replaces \$85.6 million of general funds with federal funds due to the enhanced FMAP.
- In addition, the fiscal 2024 budget assumes a planned reversion at the end of fiscal 2023 of approximately \$70 million, due to lower than expected reimbursement claims from fiscal 2022 submitted for payment in fiscal 2023.

## ***Key Observations***

---

- ***Status of ASO Recoupment and Forgiveness:*** As of February 6, 2023, MDH reports that the remaining balance of overestimated provider payments to be recouped totals \$112 million. This is a reduction of 31% from a total of \$162.4 million that was reported due as of August 4, 2022. Recoupment efforts will continue through calendar 2023.

*M00L – MDH – Behavioral Health Administration*

- **9-8-8 Crisis Hotline:** National legislation in October 2020 established 9-8-8 as the national telephone hotline number for mental health crisis and suicide prevention, which went live in July 2022. Data reported by the 988 Suicide & Crisis Lifeline shows higher call volumes in each month since the transition to the 9-8-8 number compared to the same month in the prior year when it operated with a different number as the National Suicide Prevention Lifeline. Chapters 145 and 146 of 2022 created the 9-8-8 Trust Fund to designate and maintain 9-8-8 among other purposes and mandated \$5.5 million for this purpose in fiscal 2024. The fiscal 2023 budget also includes \$5 million for this purpose.

**Operating Budget Recommended Actions**

**Funds**

1. Add language restricting funds from the Maryland Department of Health Office of the Secretary pending a report on provider recoupment.
2. Add language restricting funds from Behavioral Health Administration Program Direction.
3. Add language restricting funds from Behavioral Health Administration Program Direction pending a report on availability of access to Medication-Assisted Treatment.
4. Adopt committee narrative requesting reports of M00L01.02 and M00L01.03 provider reimbursements.
5. Add language restricting the appropriation in M00L01.02 to be expended only in M00L01.02, M00L01.03, or M00Q01.10.
6. Add language restricting the appropriation for behavioral health investments pending a report on planned uses of the funds.
7. Reduce the general fund appropriation for behavioral health infrastructure investments -\$ 20,000,000
8. Add language restricting the appropriation for M00L01.03 to be expended only in M00L01.02, M00L01.03, or M00Q01.10
9. Add language restricting the appropriation in M00Q01.10 to be expended only in M00L01.02, M00L01.03, or M00Q01.10.

*M00L – MDH – Behavioral Health Administration*

10.	Reduce the general fund appropriation made for the purpose of provider reimbursements	-\$ 40,000,000
11.	Reduce the deficiency appropriation for provider reimbursements.	-\$ 14,000,000
12.	Reduce the general fund share of the deficiency appropriation for provider reimbursements.	-\$ 86,000,000
	<b>Total Net Change to Fiscal 2023 Deficiency Appropriation</b>	<b>-\$ 100,000,000</b>
	<b>Total Net Change to Allowance</b>	<b>-\$ 60,000,000</b>

**M00L**  
**Behavioral Health Administration**  
**Maryland Department of Health**

## ***Operating Budget Analysis***

---

### **Program Description**

MDH BHA is responsible for the treatment and rehabilitation of the mentally ill, individuals with SUDs, problem gambling disorders, and those with co-occurring mental illness and substance use and/or problem gambling disorder.

In fiscal 2015, funding for Medicaid-eligible specialty mental health services (based on diagnosis) was moved into the Medical Care Programs Administration (MCPA). In fiscal 2016, funding for SUD was carved out from managed care and budgeted as fee-for-service (FFS) in program M00Q01.10 alongside Medicaid-eligible specialty mental health services. The funding in M00Q01.10 is reflected in this analysis.

BHA's role includes:

- ***Mental Health Services:*** Planning and developing a comprehensive system of services for the mentally ill; reviewing and approving local plans and budgets for mental health programs; providing consultation to State agencies concerning mental health services; establishing personnel standards; and developing, directing, and assisting in the formulation of educational and staff development programs for mental health professionals. In performing these activities, the State works with local core service agencies (CSA) to coordinate and deliver mental health services in the local jurisdictions statewide.
  
- ***SUD Services:*** Developing and operating unified programs for SUD research, training, prevention, and rehabilitation in cooperation with federal, State, local, and private agencies.

## ***Performance Analysis: Managing for Results***

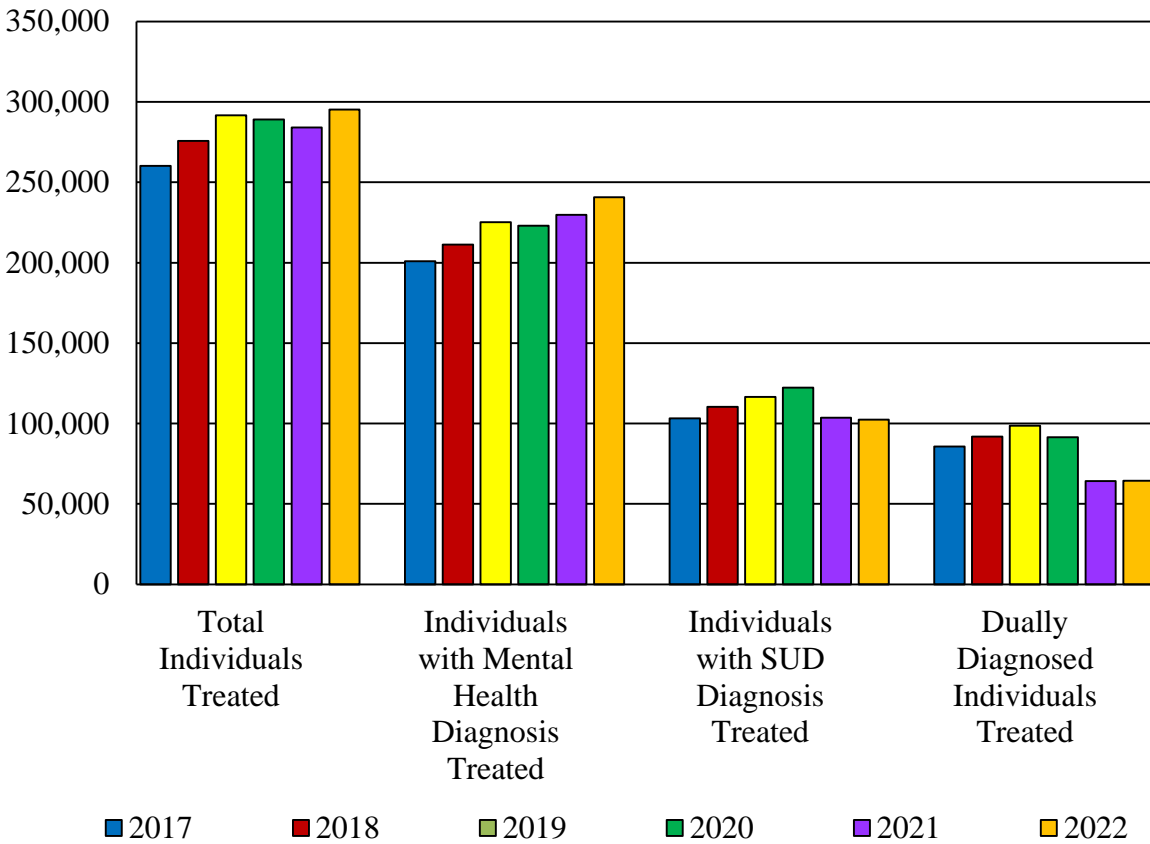
---

### **1. Patient Volume in PBHS**

PBHS patient volume trends as reported in the Managing for Results (MFR) submission showed a steady increase in total service utilization of more than 5% each year from 2016 through 2019. This trend changed in fiscal 2020 due to the impacts of the COVID-19 pandemic as well as disruption to service data tracking as a result of problems with the new ASO discussed further in Issue 1. As shown in **Exhibit 1**, the downward trend in fiscal 2020 and 2021 was reversed in fiscal 2022, with an increase of 4% in the total number of individuals served compared to

fiscal 2021, but only a 1.2% increase from fiscal 2019. However, the number of individuals receiving SUD services decreased in fiscal 2022 by a further 1.3% compared to fiscal 2021 while treatment of dually diagnosed individuals increased by 0.5%. The increases in fiscal 2022 in total utilization would indicate that prior year declines were related to difficulties in access to care rather than reduced need. However, individuals with a SUD diagnosis and those that are dually diagnosed receiving treatment were still substantially below prepandemic levels, indicating that treatment remains a concern. **MDH should discuss efforts to ensure those with a SUD diagnosis in PBHS are able to access and receive appropriate services.**

**Exhibit 1**  
**Individuals Served by PBHS**  
**Fiscal 2017-2022**

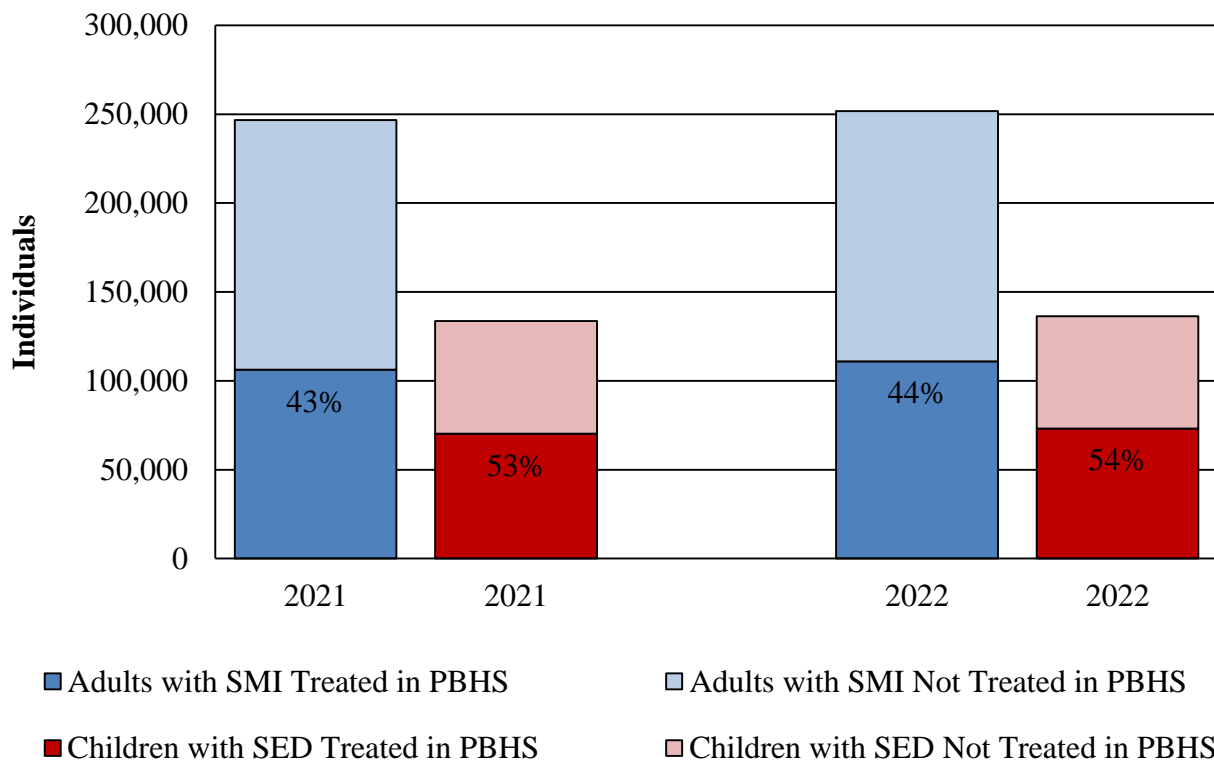


SUD: substance use disorder  
 PBHS: Public Behavioral Health System

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

The MFR submission also includes data on estimated mental health needs for individuals with serious mental illness (SMI). **Exhibit 2** provides information on the total estimated number of individuals within the State who have mental health needs for both adults and children along with the number receiving treatment through the State’s PBHS. In fiscal 2022, a slightly higher percentage of those with SMI received treatment compared to fiscal 2021, a 1 percentage point increase for each, to 44% for adults and 54% for children.

**Exhibit 2**  
**Mental Health Needs**  
**Fiscal 2021-2022**

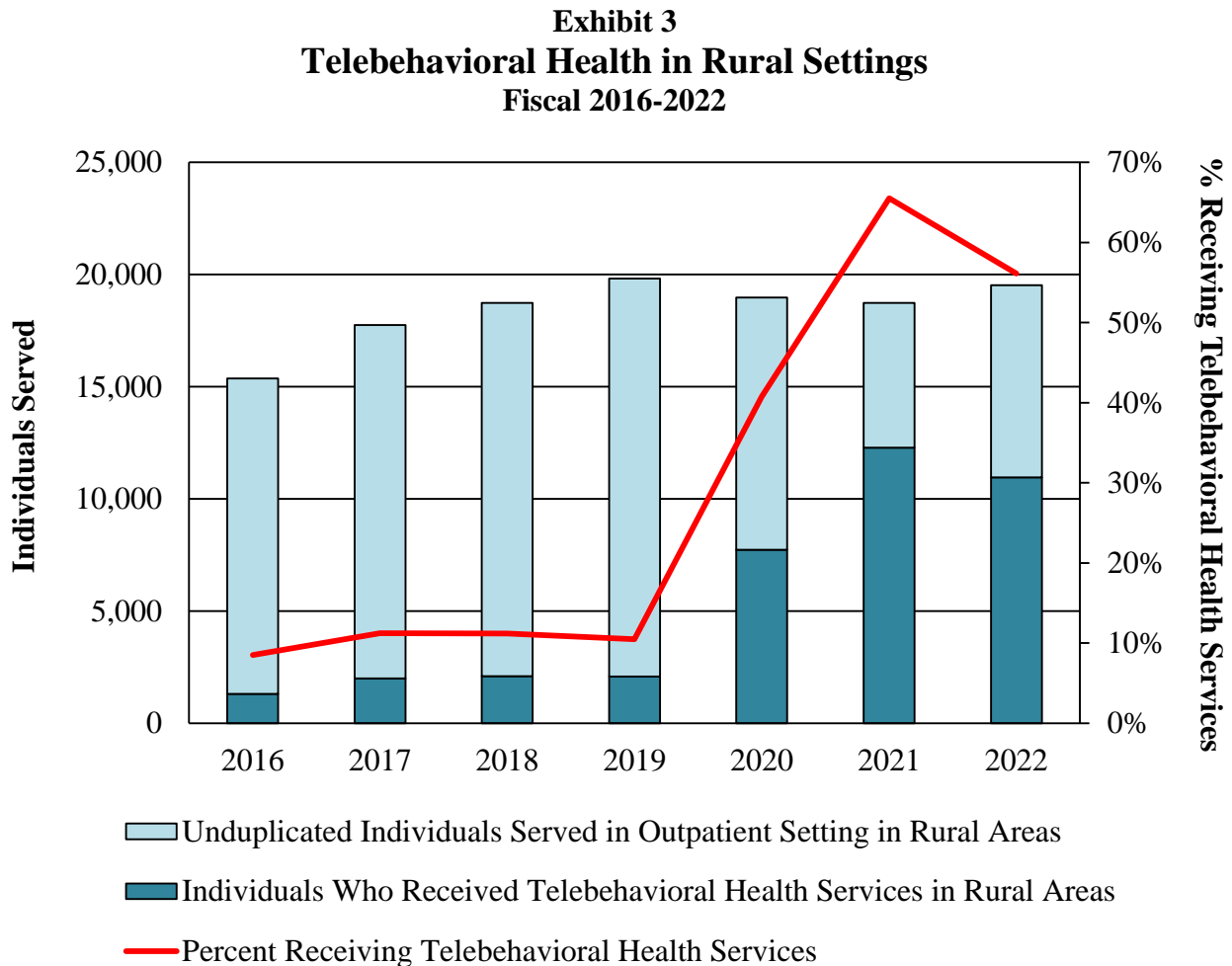


PBHS: Public Behavioral Health System  
 SED: serious emotional disturbance  
 SMI: serious mental illness

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

## 2. Telebehavioral Health Utilization

Service utilization by telebehavioral health services in rural areas is also reported with MFR in order to guide policy toward increasing service utilization in areas where individuals may experience greater difficulty in accessing in-person services. Telehealth has generally expanded over the last decade, and telebehavioral health in particular, being more flexible than physical health in terms of necessary contact. The COVID-19 pandemic provided unique stimulus to these services due to access restrictions and challenges. As shown in **Exhibit 3**, the percentage of individuals receiving telebehavioral health services in rural settings as a share of individuals receiving services overall increased by 30 percentage points in fiscal 2020 and by approximately 25 percentage points in fiscal 2021. However, the percentage receiving telebehavioral health services decreased by over 9 percentage points in fiscal 2022 compared to the prior year, while remaining much higher than prepandemic levels.



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

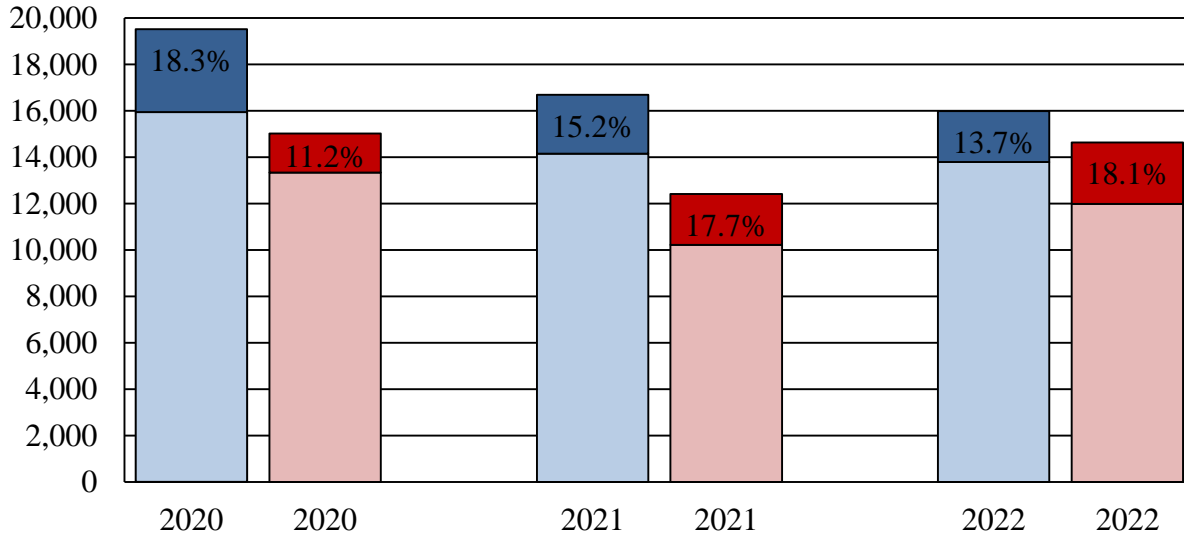


In order to form a clearer picture of telehealth services across the State, committee narrative in the 2022 *Joint Chairmen’s Report* (JCR) requested that MDH submit an expanded set of data on telehealth to show utilization statewide rather than only in rural settings. The MFR submission with the fiscal 2024 budget did not include this requested expansion. **BHA should comment on what, if any, limitations exist in statewide data collection and reporting on PBHS telebehavioral health utilization. The Department of Legislative Services (DLS) recommends adding budget language restricting funds for program direction in BHA pending submission of expanded data on telebehavioral health utilization.**

### **3. Readmissions after Discharge**

Beginning with the fiscal 2022 submission, MDH began providing MFR data on readmission rates for individuals discharged from SUD inpatient facilities. The stated MFR goal is that the percentage of individuals readmitted to a SUD inpatient facility within 30 days of discharge be under 18% for general mental health cases and under 20% for patients with SUDs. As shown in **Exhibit 4**, these goals have been achieved each year. For mental health patients, both total number of discharges and the percentage of mental health readmissions within 30 days decreased between fiscal 2020 and fiscal 2022. However, SUD patient total discharges varied over this period, but the percentage readmitted within 30 days increased from 11.2% in 2020 to over 18% in 2022. **BHA should comment on whether efforts to reduce readmissions for SUD patients and whether lessons applied in reducing mental health readmissions could be applied to these patients.**

**Exhibit 4  
SUD and Mental Health Readmissions  
Fiscal 2020-2022**



- SUD Discharges w Readmission within 30 days
- Mental Health Discharges w Readmission within 30 days
- SUD Discharges w/out Readmission within 30 days
- Mental Health Discharges w/out Readmission within 30 days

SUD: substance use disorder

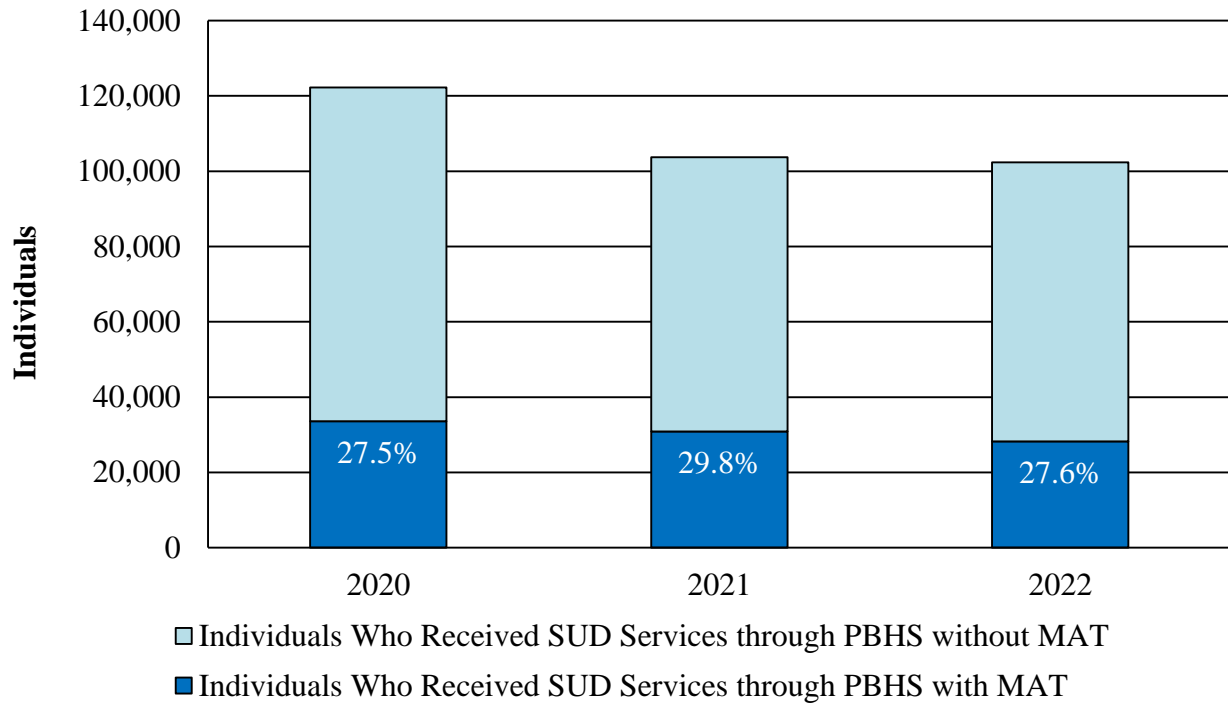
Source: Department of Budget and Management; Maryland Department of Health; Department of Legislative Services

**4. Medication Assisted Treatment**

Medication Assisted Treatment (MAT) is the use of medications, in combination with counseling and behavioral therapies, to provide a “whole-patient” approach to the treatment of SUD. Medications used in MAT are approved by the U.S. Food and Drug Administration and include buprenorphine, methadone, and naltrexone. MAT is primarily used for the treatment of addiction to opioids, such as heroin, and prescription pain relievers. The Buprenorphine Initiative of the department is in support of access to MAT.

As shown in **Exhibit 5**, from fiscal 2020 through 2022, the percentage of SUD-diagnosed individuals accessing MAT services was below 30%. In fiscal 2022, the portion of individuals served with MAT decreased by 2 percentage points compared to fiscal 2021 but was in line with fiscal 2020. Committee narrative in the 2022 JCR requested that MDH submit a report on the availability and barriers to access for MAT. As of February 13, 2023, this report had not been submitted. **DLS recommends adding language restricting funds pending submission of a report on the availability of access to MAT, including the distribution of MAT providers across the State.**

**Exhibit 5**  
**MAT Service Utilization**  
**Fiscal 2020-2022**



MAT: Medication Assisted Treatment  
PBHS: Public Behavioral Health System  
SUD: substance use disorder

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

## **Fiscal 2023**

### **Proposed Deficiency Appropriations**

The fiscal 2024 budget includes eight proposed deficiency appropriations for BHA totaling a net \$311.8 million, including a net increase of \$85.8 million in general funds and \$226.1 million in federal funds. These proposed deficiency appropriations increase funding totaling:

- \$256 million for Medicaid behavioral health provider reimbursements;
- \$67.5 million for community services for the uninsured, primarily for residential SUD services;
- \$8 million in general funds for unspecified behavioral health investments;
- \$455,000 in general funds to continue operating the Sheppard Pratt care pilot program through fiscal 2023;
- \$135,528 for the Social Security Disability Benefits Outreach Access and Recovery program based on increased spending in fiscal 2022; and
- \$105,395 to backfill federal stimulus funds for the Mid-Shore Care Traffic Control Platform when the federal funds are scheduled to end in March 2023.

These increases are partially offset by a negative deficiency of \$20.3 million for inpatient hospital services due to a policy change making some services eligible for Medicaid reimbursement.

In addition, a proposed deficiency reduces general funds by \$85.6 million and increases federal funds by the same amount due to the availability of the enhanced FMAP, discussed later in this analysis.

### **Planned Reversions**

Under the Medicaid program, claims can be submitted up to a year after the service has been delivered. At the end of each fiscal year, Medicaid accrues unspent funds to pay for anticipated Medicaid bills received in the following fiscal year but are charged back to the prior year. The fiscal 2024 budget plan assumes a general fund reversion of \$70 million to account for accrued fiscal 2022 funds that will not be needed to cover fiscal 2022 Medicaid claims. This reversion would occur during the fiscal 2023 closeout.

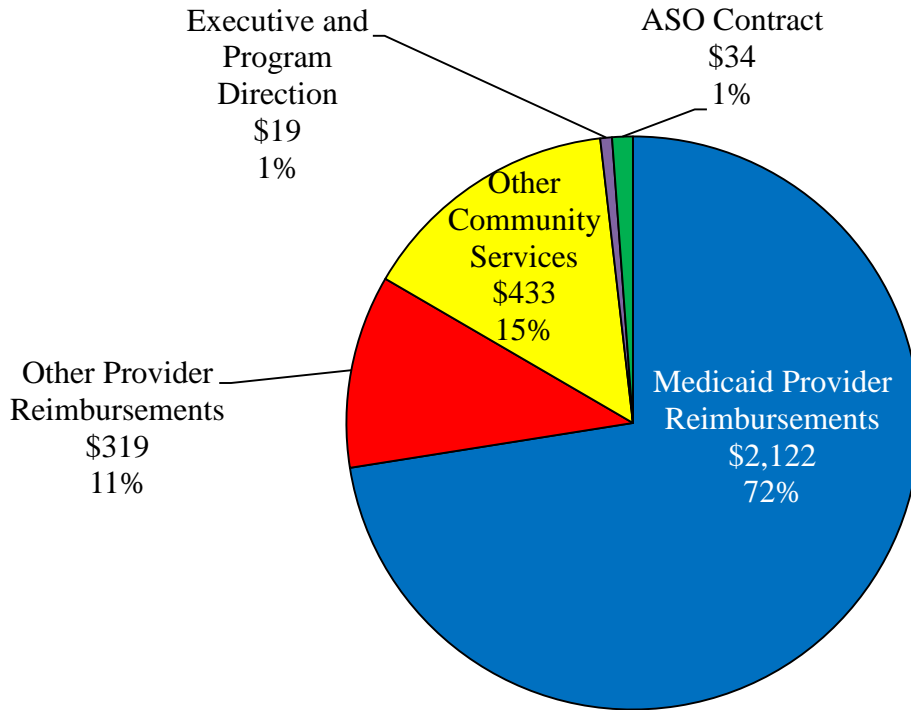
## **Legislative Priorities**

The fiscal 2023 budget included \$35 million in general funds for expanding capacity for individuals experiencing mental health crisis, including 23-hour crisis beds for outpatient mental health clinics and step-down beds from inpatient psychiatric units. MDH reports that it has focused on developing the requirements for the services to be provided and developing regulations. MDH indicates that it will begin reimbursing for mobile crisis services in fiscal 2024, and there is funding both in BHA and Medicaid to support these efforts. **MDH should discuss specifically how the \$35 million in fiscal 2023 is being used.**

## **Fiscal 2024 Overview of Agency Spending**

As shown in **Exhibit 6**, Medicaid behavioral health provider reimbursements account for nearly 75% of the fiscal 2024 allowance of \$2.93 billion (approximately \$2.1 billion). Community services are funded at approximately 22% of the fiscal 2024 allowance (\$663 million). Of this amount, \$230 million is for provider reimbursements, primarily for residential and outpatient SUD treatment services, including mobile treatment providers. Other community services funding of \$432.6 million supports a variety of mental health and substance abuse treatment and recovery services. Additional provider reimbursement funding is provided for Medicaid-eligible recipients that are not reimbursable by Medicaid totaling \$89 million.

**Exhibit 6**  
**Overview of Agency Spending**  
**Fiscal 2024 Allowance**  
**(\$ in Millions)**



ASO: Administrative Services Organization

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

**Proposed Budget Change**

As shown in **Exhibit 7**, the fiscal 2024 allowance decreases by approximately \$20.1 million compared to the fiscal 2023 working appropriation and the fiscal 2024 allowance, after accounting for proposed deficiency appropriations and the planned reversion including BHA’s share of the statewide deficiency appropriation for the 4.5% cost-of living adjustment provided in November 2022. The decrease is driven primarily by decreases in expected provider reimbursements, at \$191.8 million. This decrease is partially offset by increases in a number of areas including mandated provider rate increases (\$47.6 million), funding for unspecified behavioral health investments (\$62.0 million), and federal State Opioid Response funding (\$39.5 million). Funding for the national 9-8-8 suicide prevention line increases by \$500,000, discussed further in Issue 2.

**Exhibit 7**  
**Proposed Budget**  
**MDH – Behavioral Health Administration**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b>General Fund</b>	<b>Special Fund</b>	<b>Federal Fund</b>	<b>Reimb. Fund</b>	<b>Total</b>
Fiscal 2022 Actual	\$1,030,457	\$35,387	\$1,798,541	\$5,821	\$2,870,206
Fiscal 2023 Working Appropriation	1,198,787	47,601	1,694,517	6,055	2,946,959
Fiscal 2024 Allowance	<u>1,364,709</u>	<u>45,285</u>	<u>1,510,662</u>	<u>6,233</u>	<u>2,926,890</u>
Fiscal 2023-2024 Amount Change	\$165,923	-\$2,316	-\$183,854	\$177	-\$20,070
Fiscal 2023-2024 Percent Change	13.8%	-4.9%	-10.8%	2.9%	-0.7%
<b>Where It Goes:</b>					<b><u>Change</u></b>
<b>Personnel Expenses</b>					
New personnel .....					\$839
Employee and retiree health insurance.....					525
Miscellaneous adjustments.....					249
Turnover expectancy decreases from 8.01% to 7.97% .....					227
Annualization of November 2022 4.5% cost-of-living adjustment .....					194
Other fringe benefits.....					2
Workers’ compensation.....					0
Employees’ retirement system .....					-25
Regular earnings (netted with reclassification).....					-866
<b>Other Changes</b>					
Unspecified behavioral health investments, including potential expansions of crisis system, improvements in court placements, and addressing youth hospital overstay .....					\$62,000
State Opioid Response funding .....					29,457
Substance abuse treatment services.....					15,474
Community services grants and contracts, including for core service agencies .....					13,214
Administrative Services Organization contract.....					3,788
Substance Abuse Treatment Outcomes Partnership Fund .....					3,135
Problem Gambling Fund primarily for the Maryland Center of Excellence on Problem Gambling.....					1,998
Buprenorphine Initiative.....					1,315
Chapter 731 of 2022 mandated funding for the Post-Traumatic Stress Disorder and Traumatic Brain Injury Alternative Therapies Fund .....					1,000

*M00L – MDH – Behavioral Health Administration*

<b>Where It Goes:</b>	<u><b>Change</b></u>
Maryland Behavioral Health in Pediatric Primary Care Program.....	934
9-8-8 line state and territory cooperation agreements.....	894
Substance abuse treatment in drug court services.....	580
Mandated funding under Chapters 145 and 146 of 2022 for the 9-8-8 Trust Fund to operate the national crisis hotline.....	500
Mid-Shore care traffic control platform to backfill federal stimulus funding that ends in fiscal 2023.....	457
Sheppard Pratt care coordination center to continue the contract for an additional 12 months.....	455
SOAR program.....	407
Administrative offices and oversight operations.....	223
Access To Recovery.....	-331
Network adequacy study under Chapter 251 of 2022.....	-450
Community Mental Health Services Block Grant.....	-1,491
Other program direction and community services changes.....	-960
<b>Behavioral Health Provider Reimbursements</b>	
Mandated behavioral health provider rate increases.....	47,579
Provider reimbursements due to enrollment and utilization with the end of the disenrollment freeze.....	-191,804
<b>One-time Grants</b>	
Howard County DrugFree.....	-50
One-time grant in cooperation with KKI funding tele-education for childhood neurodevelopmental and mental health disorders.....	-500
One-time enhancement for the Greater Baltimore Regional Integrated Crisis System.....	-2,000
One-time grants for the KKI Center for the Neuroscience of Social Injustice.....	-3,250
<b>COVID-19 Stimulus Funds</b>	
Prevention and treatment of substance abuse.....	\$140
Community Mental Health Services.....	-3,929
<b>Total</b>	<b>-\$20,070</b>

KKI: Kennedy Krieger Institute

MDH: Maryland Department of Health

SOAR: Social Security Disability Benefits Outreach Access and Recovery

Note: Numbers may not sum to total due to rounding.



## **Behavioral Health Infrastructure Investments**

The fiscal 2024 allowance includes \$70 million in general funds for unspecified behavioral health infrastructure investments, which also receives funding as a proposed deficiency noted earlier. The exact uses are unclear but are expected to address crisis services, timeliness of court placements, and hospital overstays. The size of this funding over the two years (\$78 million) is significant, but the exact plan for using these funds to meet the identified needs is unclear. Depending on the actual uses of the funds, the State may be able to leverage federal match on some of the investments further expanding the available resources. **DLS recommends restricting use of the funds until a report is submitted with more specific information on programmatic allocation and use of funds toward stated goals such as shortening hospital stays, achieving timely placement of court-involved patients, and expanding crisis services.**

## **Behavioral Health Provider Reimbursement Funding**

Provider reimbursement funding spans the three categories of Medicaid, State-funded community services for Medicaid recipients, and State-funded services for the uninsured. Medicaid-eligible individuals are served by federally matched services comprising approximately 87% of the FFS budget, at \$2.6 billion, followed by State-funded services of \$89 million at 3.7% of the budget. Services for non-Medicaid eligible individuals are reimbursed by the State-funded community services program at an estimated cost of \$230 million (9.5% of the budget).

Given forecasted decreases in Medicaid enrollment and utilization in fiscal 2024, total funding for provider reimbursements was reduced by \$191.8 million, including provider reimbursements for non-Medicaid eligible recipients and services. Despite the net decrease, there are notable increases in outpatient and mobile treatment services along with an \$18.4 million increase for residential substance abuse treatment services. The fiscal 2024 allowance increases funding by \$47.6 million for the 3% mandated provider rate increase.

## **Enhanced Federal Match**

Due to the COVID-19 pandemic and the federal declaration of public health emergency (PHE), the State has received 6.2% over the usual 50% FMAP for Medicaid and 4.34% over the typical 65% FMAP for the Maryland Children's Health Program (MCHP). The federal Consolidated Appropriations Act of 2023 provided a phase-down of the enhanced FMAP for both Medicaid and MCHP beginning April 1, 2023, through the end of the calendar year.

Because the PHE was expected to end prior to fiscal 2023, the fiscal 2023 budget as enacted did not account for the enhanced FMAP. A proposed deficiency appropriation reduces \$85.6 million in general funds and replaces it with federal funds of the same amount due to the extension of the enhanced FMAP through fiscal 2023. The fiscal 2024 allowance accounts for the remainder of the phase-out of the enhanced FMAP, \$17.0 million in additional federal funds and lower general funds than would otherwise be needed. The phase-out schedule leads to additional general fund spending of \$68.6 million in the fiscal 2024 allowance compared to fiscal 2023.

### **Adequacy of Funding**

As a condition of receiving the enhanced FMAP, states were required to freeze disenrollments. This freeze was expected to end at the end of the quarter in which the PHE ended. However, the federal Consolidated Appropriations Act of 2023 ends the freeze as of March 31, 2023. MDH will begin the redetermination process on April 1, 2023. The redetermination process is expected to reduce enrollment in Medicaid, which drives the decrease in provider reimbursements. As discussed in the budget analysis for MCPA – M00Q, DLS projects both a lower Medicaid enrollment in fiscal 2024 than is assumed in the allowance and an enrollment mix that is more heavily weighted toward lower cost children than adults. **Due to the more favorable enrollment forecast, DLS recommends a \$40 million general fund reduction to the Medicaid behavioral health budget. DLS also recommends a \$100 million general fund reduction to the fiscal 2023 deficiency, which overstates costs due to a budgeting error.**

### **Federal Stimulus Funds Not Recognized in the State Budget**

MDH was awarded \$27.8 million in funds for the Mental Health Block Grant and \$27.6 million for the Substance Abuse Block Grant through the American Rescue Plan Act of 2021. The fiscal 2024 allowance leaves unappropriated \$10.2 million of funds under each block grant. The funds are available through federal fiscal 2025 (September 30, 2025).

MDH notes that it is in the process of developing plans for the use of the funds, but these plans are expected to include primary prevention, opioid treatment peer expansion, and funding to support the 9-8-8 transition, among other items. MDH indicates that funds will be provided to jurisdictions for the identified projects in federal fiscal 2024 and 2025 and will work with the Department of Budget and Management to add the appropriation to the budget.

**DLS recommends reducing the general funds budgeted for infrastructure improvements by \$20 million and authorizing MDH to replace these funds with the unappropriated federal block grant dollars.**

## ***Personnel Data***

	<b><u>FY 22 Actual</u></b>	<b><u>FY 23 Working</u></b>	<b><u>FY 24 Allowance</u></b>	<b><u>FY 23-24 Change</u></b>
Regular Positions	134.80	132.80	145.30	12.50
Contractual FTEs	<u>58.77</u>	<u>58.60</u>	<u>51.84</u>	<u>-6.76</u>
<b>Total Personnel</b>	<b>193.57</b>	<b>191.40</b>	<b>197.14</b>	<b>5.74</b>

### ***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	11.32	8.56%
Positions and Percentage Vacant as of 12/31/22	9.00	6.78%
Vacancies Below Turnover	-2.32	

- As of December 31, 2022, the number of vacant positions is below the budgeted turnover rate.
- Along with the abolishment of a part-time psychiatrist position, there are a total of 13 new positions in BHA Administrative and Community Services, most of which are administrative positions. These positions support a variety of functions including oversight of the CSAs and Local Addictions Authorities and the PBHS programs for transition-age youth, various SUD treatment programs, and a grant specialist.
- The fiscal 2024 allowance also reduces the number of contractual full-time equivalents by 6.76.

## ***Issues***

---

### **1. Status of ASO Recoupment and Forgiveness**

On July 24, 2019, the Board of Public Works (BPW) approved a contract for an ASO to process and pay provider claims beginning January 1, 2020, through calendar 2024, with a two-year renewal option to extend the contract through calendar 2026. United Behavioral Health Services (Optum) won the contract over the incumbent ASO, Beacon Health Options. However, shortly after the new ASO contract began, providers started to report substantial difficulties. Many providers were unable to register with Optum. Those that were able to register had difficulty submitting claims or had claims wrongfully rejected. Further still, the providers who did receive reimbursements noted inconsistencies. For example, claims paid were for the incorrect amount or without an explanation of benefits. The lack of and inconsistency of payments created significant concerns for providers who need to make payroll and pay rent in order to keep providing services in Maryland.

To address the concern surrounding payments, a January 23, 2020 notice was issued to providers from then Secretary Robert R. Neall that MDH would be processing estimated payments to providers based on average weekly payments in calendar 2019. These estimated payments continued through August 3, 2020. During the nearly 30 weeks that it took Optum to accurately and timely process claims, the department reported that it made \$1.06 billion in estimated payments to providers. Further complicating the situation is that the timing of these estimated payments coincided with the onset of the COVID-19 pandemic and its impact on service utilization.

While at the time the estimated payments did provide some stability in revenues for providers, the estimated payments ultimately need to be matched with actual services provided to be able to claim the appropriate federal fund match. Throughout the estimated payments period, providers were still submitting claims for services provided. Ultimately, the department has attempted to reconcile the differences between overpayments, which, in part, were due to the impact of the pandemic on utilization and claims submitted to reach a total outstanding balance. During the 2021 session, the overpayments were estimated to be \$300 million. In February 2022, the outstanding balance was reported at \$214.5 million across the provider community. Language added to the fiscal 2023 Budget Bill restricted funds for MDH pending a report on the recoupment and forgiveness process due August 1, 2022. MDH submitted the requested report on September 13, 2022, and the release of funds was authorized October 26, 2022. As of this report, the value of overpayments was estimated at \$146 million, approximately 14% of the estimated original payment total of \$1.06 billion. The reduction reflects a combination of providers submitting additional claims for the period estimated payments were made, forgiveness, and the return of some overpayments.

## **Provider Forgiveness and Repayments**

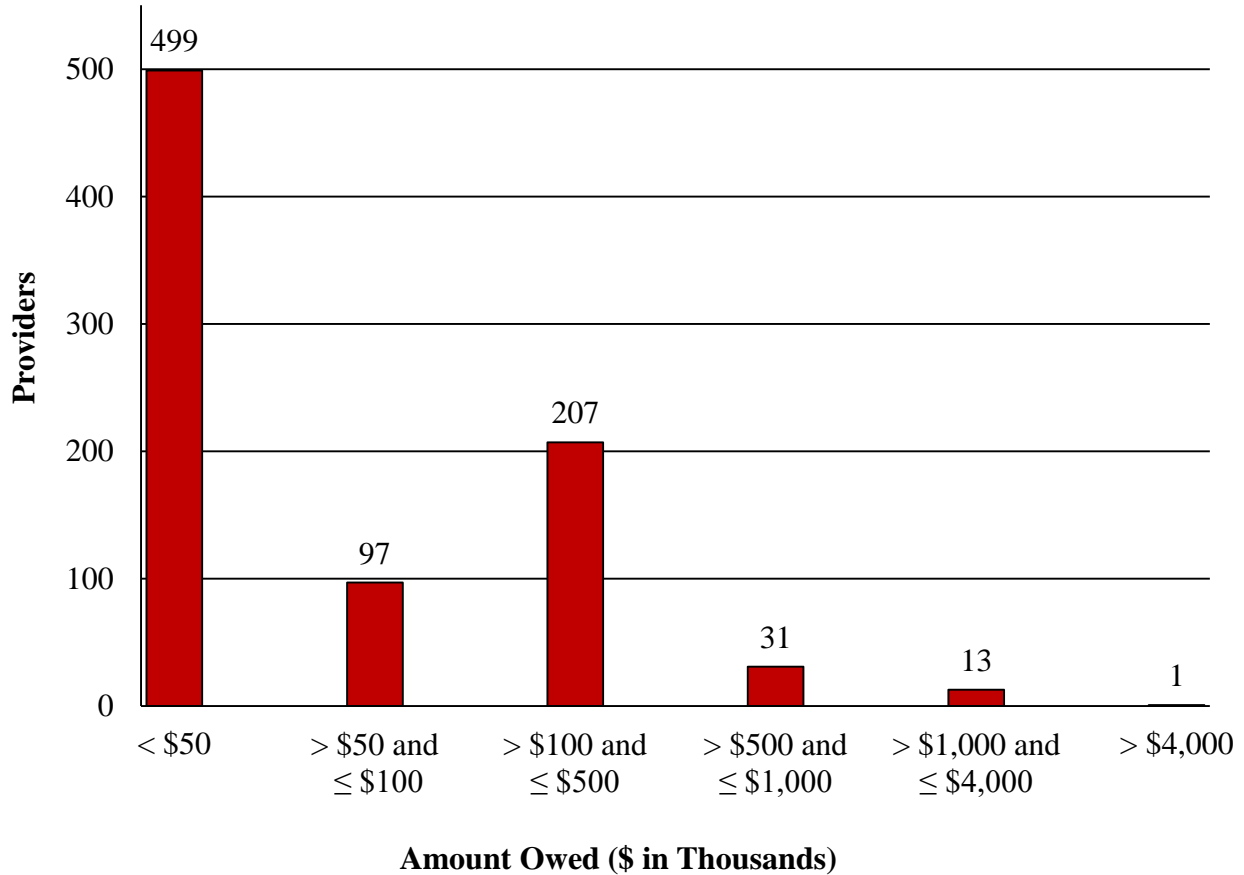
A forgiveness plan was developed to serve smaller providers owing less than \$25,000. Providers were given the option to pay their debt down to the \$25,000 level in order to receive the same forgiveness as those owing less than \$25,000 whose amount was fully forgiven. Collections accounts were opened for some nonrespondent providers. As of the September 13, 2022 report, 1,235 providers had been forgiven debts of up to \$25,000, totaling \$11,666,279. The remaining 712 providers were given several repayment options:

- payment in full by check or wire transfer;
- reduction (“clipping”) of weekly claim amounts by 20%, 40%, 60%, or 80% to pay the balance within 12 months at no interest;
- monthly withdrawal of a set amount; or
- a combination of a withdrawal or the clipping of weekly claims.

As of October 5, 2022, the survey sent to providers on July 19, 2022, for election of a preferred settlement method had a response rate of 43%. At that time, the department planned to begin applying the second repayment option at a clipping rate of 50% to all providers that had not responded to the survey.

**Exhibit 8** shows a histogram of providers with different balances due as of February, 2023. MDH reports that this includes provider account balances that have been shared with the Central Collection Unit. MDH reported in August 2022 that outstanding balances were owed by 712 providers. Subsequently, MDH has indicated that this did not include providers in collections. In February 2023, MDH reports the remaining balances are owed by 798 providers.

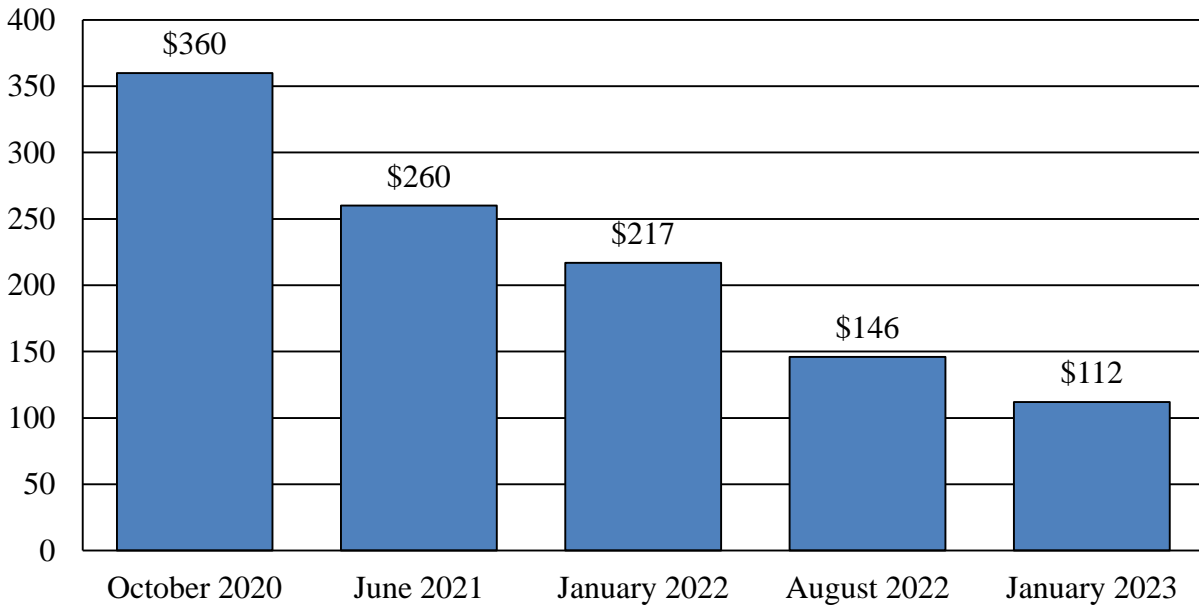
**Exhibit 8  
Providers with Remaining Balance Due  
As of February 6, 2023**



Source: Maryland Department of Health Behavioral Health Administration

**Exhibit 9** illustrates the changes in the balance to be recouped over time. As of the August 2022 report, the total balance to be collected after accounting for the provider forgiveness was approximately \$162.4 million. As of January 2023, the balance has been reduced to \$112 million, indicating that some progress has been made by providers in repaying balances. MDH reports that it has been recouping approximately \$8 million per month from providers. **DLS recommends adding language restricting funds pending submission of a report on the actual or estimated status of provider recoupment and forgiveness at the close of the calendar 2023.**

**Exhibit 9**  
**Historical Total of Recoupment Balance**  
**Fiscal 2020-2023**  
**(\$ in Millions)**



Source: Maryland Department of Health Behavioral Health Administration

**Audit of ASO**

A fiscal compliance audit of BHA was conducted for the period beginning November 13, 2017, and ending June 30, 2021, and of ASO for the period beginning January 1, 2019, and ending June 30, 2021. The audit was released October 25, 2022, and focused on BHA’s lack of sufficient and documented review of ASO contract proposals and lack of audits of the new ASO prior to and in its initial stages of launch in January of 2020. An additional audit found that the contract had permitted the assessment of liquidated damages of up to \$25,000 per day that the ASO services were not fully operational, but as of January 2022, the agency had not yet made an assessment in order to collect these damages available according to the contract.

Information in the audit addresses MDH’s contractor selection process and concerns regarding how a new ASO should be selected. The current contract with Optum was to last from January 1, 2020, to December 31, 2024. BHA stated at the time of the audit that it intended to bring a new contract before BPW within the first half of calendar 2023. **MDH should comment**

with an update on the progress of the new ASO contractor selection and what changes have been suggested and adopted for reforming its contract selection process.

## **2. 9-8-8 Crisis Hotline**

Chapters 571 and 572 of 2018 required MDH to establish and operate a toll-free health crisis hotline that is available 24 hours a day, 7 days per week, with the capacity to handle caller crisis needs related to mental health, substance abuse, and escalating violence. Initially these calls were received through 3-1-1 and 2-1-1 lines for more general public health and community services information. This service subset is now considered partially replaced by the 9-8-8 line services.

In July 2020, the Federal Communications Commission established 9-8-8 as the new, federally recognized National Suicide Prevention Lifeline and National Veterans Crisis Line and required phone service carriers to adapt their services accordingly. On October 17, 2020, the U.S. Congress passed the National Suicide Hotline Designation Act of 2020. The Act provided states one year to coordinate state resources and pass any necessary state legislation to be in accordance with and support operation of the national program. In Maryland, this resulted in Chapters 145 and 146, which followed the national order in designating 9-8-8 as the primary phone number for behavioral health crisis. **BHA should explain the operational differences between former and existing 2-1-1 or other behavioral health hotline services and the services provided by the new 9-8-8 line.**

### **Funding**

Chapters 145 and 146 also established the 9-8-8 Trust Fund, which in addition to reimbursing costs associated with designating and maintaining 9-8-8, also is authorized to be used for developing and implementing a statewide initiative for the coordination and delivery of behavioral health crisis response services including for crisis call centers, mobile crisis team providers, crisis stabilization services, and other acute behavioral health needs. Chapters 145 and 146 mandated \$5.5 million to be provided in the fiscal 2024 budget to the fund. The fiscal 2023 budget also included \$5 million for 9-8-8. MDH reports that the fiscal 2023 funding has been used to:

- recruit, hire, train, and retain a call specialist workforce for local call centers and unify 9-8-8 responses;
- support local crisis center staffing and response structure; and
- improve the 9-8-8 call, text, and chat response rate.

In total, MDH reports funds were awarded to eight jurisdictions in fiscal 2023. **MDH should report on whether it anticipates similar uses for the fiscal 2024 funding.**



*M00L – MDH – Behavioral Health Administration*

Chapters 145 and 146 also require MDH to submit a report on or before December 1 of each year to the legislative committees, including the Legislative Policy Committee, the Senate Budget and Taxation Committee, and the House Appropriations Committee, including a detailed description of:

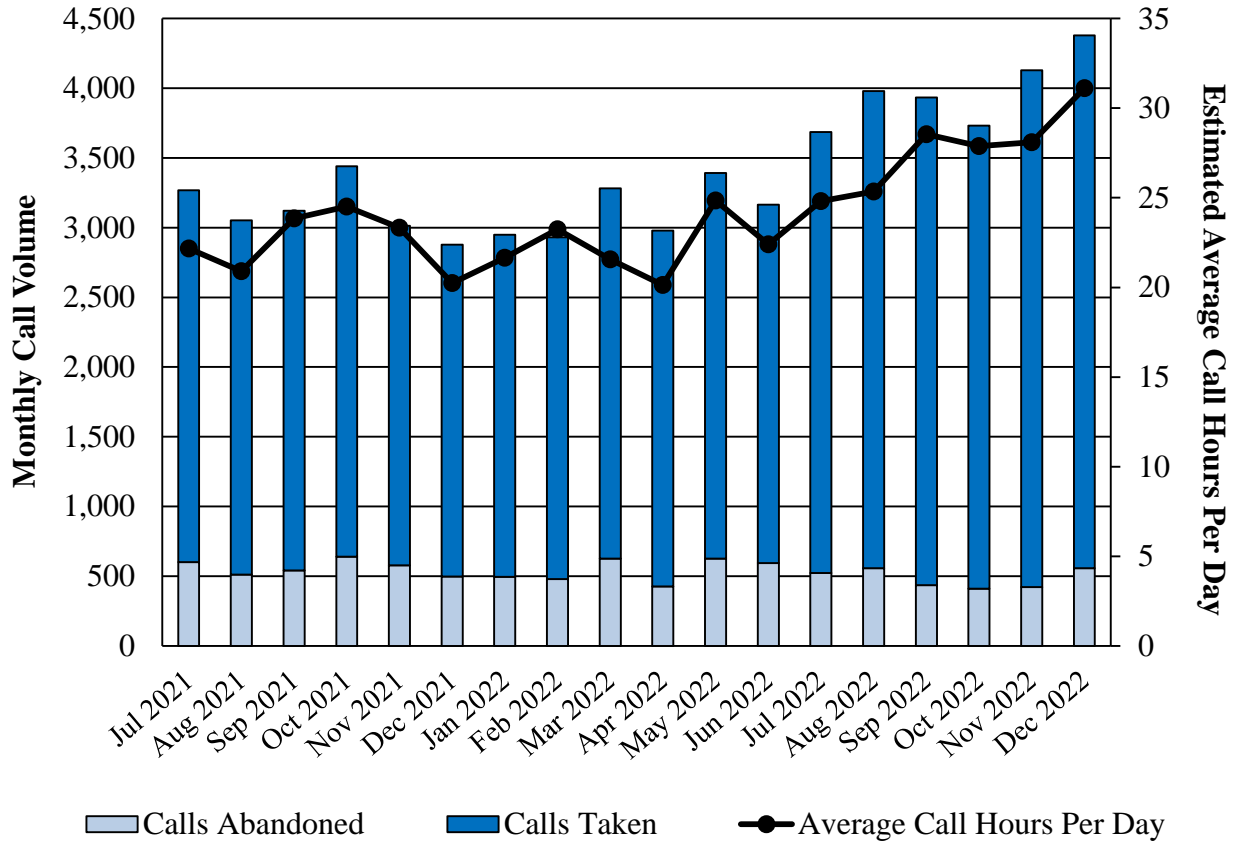
- the amount of funds transferred and distributed from the fund;
- the additional services provided by the funding in each local jurisdiction;
- the amount of any unspent funds in the fund; and
- the reasons funds identified under item (3) of this section were not spent.

The first report is not required until December 1, 2023.

### **Call Volume**

Data in **Exhibit 10** available through the 988 Suicide & Crisis Lifeline (formerly known as the National Suicide Prevention Lifeline) show significant increases in 9-8-8 call volume since the official “go-live” date of July 16, 2022. Maryland received 3,268 calls in July 2021, and calls rose 34% over the following year-and-a-half to 4,379 in December 2022. The rate of abandoned calls has dropped from an average of 18% down to 10.2% and 12.7% in November and December 2022, respectively. This abandonment rate decrease appears to be driven both by lower total abandonment numbers along with higher total volume of calls.

**Exhibit 10**  
**9-8-8 Call Volume and Estimated Daily Call Hours**  
**July 2021 through December 2022**



Source: 988 Suicide & Crisis Lifeline

Estimated average call hours per day are calculated by multiplying the reported average call duration for each month (reported in minutes) by the total number of calls received, dividing by 60 to obtain the number of hours, and dividing by the number of days in each month. This may provide an estimated picture of crisis call center staff hours utilized.

## Operating Budget Recommended Actions

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

, provided that \$500,000 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 recoupment of overpayments and forgiveness of overpayments to providers. The report shall be submitted by January 14, 2024, 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 revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** The nearly eight-month estimated payments period required due to the failed launch of the new Administrative Services Organization resulted in overpayments to providers originally estimated to be \$360 million. The Maryland Department of Health (MDH) has been managing the ongoing recoupment and forgiveness to providers for these overpayments, and the remaining balance to be recouped stands at \$112 million. MDH plans to complete recoupment in December 2023. This language restricts funding pending a report on the closeout status of recoupment and timeline data of total amount recouped per month for the full recoupment period lasting August 2020 through December 2023.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on provider overpayment recoupment and forgiveness	MDH	January 14, 2024

2. 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 Behavioral Health Administration submits statewide data on telebehavioral health utilization in the Public Behavioral Health System. The data shall be submitted with the Managing for Results (MFR) submission for the fiscal 2025 budget, and the budget committees shall have 45 days from the date of the receipt of the MFR submission 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 revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** Telebehavioral health utilization in rural areas saw notable increases during the pandemic. In order to form a clearer picture of telebehavioral health service needs across the State, the budget committees included committee narrative in the 2022 Joint Chairmen’s Report requesting that the Maryland Department of Health (MDH) Behavioral

*M00L – MDH – Behavioral Health Administration*

Health Administration submit expanded MFR data for statewide utilization of telebehavioral health services. This language restricts funding pending the submission of statewide data on telebehavioral health utilization across the state.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Statewide telebehavioral health utilization	MDH	With the submission of the fiscal 2025 MFR data

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

Further provided that \$100,000 of this appropriation made for the purposes of program direction may not be expended until the Behavioral Health Administration submits a report to the budget committees on patient access to Medication Assisted Treatment (MAT) in the Public Behavioral Health System. The report should include detail on the prevalence of MAT providers by jurisdiction and a discussion of barriers to the access or further availability of MAT for individuals with substance use disorders. 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 revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** The General Assembly is interested in information on the availability and prevalence of MAT statewide as well as any barriers to access to MAT. This language restricts funding pending a report on the prevalence of MAT providers by jurisdiction and any barriers to access.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Availability of access to MAT	Behavioral Health Administration	September 1, 2023

4. Adopt the following narrative:

**Provider Reimbursement Data:** The committees are interested in better understand the spending on provider reimbursements by service type for spending outside of the Medicaid Behavioral Health Provider Reimbursements program. The committees request that the Maryland Department of Health (MDH) provide reports including data on provider reimbursements by service type separately for provider reimbursement spending in M00L01.02 (Community Services) and M00L01.03 (Community Services for Medicaid State Fund Recipients). The reports should include data through September 1 for the first report, December 31 for the second report, and March 31 for the third report. The data should be provided for fiscal 2024 and the same period for the two prior fiscal years. The first report should also include final fiscal 2023 data by service type separately for M00L01.02 and M00L01.03 along with the data for the prior two fiscal years.

*M00L – MDH – Behavioral Health Administration*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Non-Medicaid provider reimbursement	MDH	September 30, 2023 January 20, 2024 April 20, 2024

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

Provided that these funds are to be used only for the purposes herein appropriated, and there shall be no transfer to any other program or purpose except that funds may be transferred to programs M00L01.03 Community Services for Medicaid State Fund Recipients or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements. Funds not expended or transferred shall be reverted or canceled.

**Explanation:** This language restricts the entire appropriation for substance use disorder treatment, uninsured treatment, or other community service grants for that purpose or for provider reimbursements in M00L01.03 Community Services for Medicaid State Fund Recipients or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements.

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

, provided that \$50,000,000 of this appropriation made for the purpose of behavioral health investments may not be expended until the Maryland Department of Health submits a report to the budget committees outlining specific programmatic uses and corresponding allocations of the funds. The report should include details on how the funds will be used to address specific needs, including the timeliness of court placements, youth in hospital overstays, crisis service expansion, and any other newly determined goals. The report shall be submitted by July 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 fiscal 2024 budget includes funding for unspecified behavioral health investments. The General Assembly is interested in understanding the use of this funding, with details on the allocation of funds by use including addressing youth in hospital overstays, timely court-involved patient placement, and expansion of crisis services, or any other priority. This language restricts the funding behavioral health investments pending submission of a report on the planned uses of the funds.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Planned uses of funding for behavioral health investments	Maryland Department of Health	July 1, 2023

*M00L – MDH – Behavioral Health Administration*

**Amount  
Change**

7. Reduce the general fund appropriation for behavioral health infrastructure investments to reflect availability of federal funds for this purpose. American Rescue Plan Act (ARPA) funds of \$20 million for the Mental Health Block Grant and Substance Abuse Block grant remain unspent and are not included in the fiscal 2024 budget. The department is authorized to process a budget amendment replacing the reduction with the \$20 million in remaining ARPA grants. -\$ 20,000,000 GF
8. Add the following language to the general fund appropriation:

Provided that these funds are to be used only for the purposes herein appropriated, and there shall be no transfer to any other program or purpose except that funds may be transferred to programs M00L01.02 Community Services or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements. Funds not expended or transferred shall be reverted or canceled.

**Explanation:** This language restricts the entire appropriation for Medicaid State Funded Mental Health Services for that purpose or for provider reimbursements in M00L01.02 Community Services or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements.

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

Provided that these funds are to be used only for the purposes herein appropriated, and there shall be no transfer to any other program or purpose except that funds may be transferred to programs M00L01.03 Community Services for Medicaid State Fund Recipients or M00L01.02 Community Services. Funds not expended or transferred shall be reverted or canceled.

**Explanation:** This language restricts the entire appropriation for Medicaid behavioral health provider reimbursements for that purpose or for provider reimbursements in M00L01.03 Community Services for Medicaid State Funded Recipients or M00L01.02 Community Services.

*M00L – MDH – Behavioral Health Administration*

	<b><u>Amount Change</u></b>	
10. Reduce the general fund appropriation made for provider reimbursements due to enrollment trends.	-\$ 40,000,000	GF
11. Reduce the fiscal 2023 deficiency appropriation in the Community Services program for provider reimbursements which overstates costs due to a budgeting error.	-\$ 14,000,000	GF
12. Reduce the general fund share of the fiscal 2023 deficiency appropriation in Medicaid Behavioral Health provider reimbursements which overstates costs due to a budgeting error.	-\$ 86,000,000	GF
<b>Total Net Change to Fiscal 2023 Deficiency</b>	<b>-\$ 100,000,000</b>	
<b>Total General Fund Net Change to Allowance</b>	<b>-\$ 60,000,000</b>	

**Appendix 1**  
**2022 Joint Chairmen’s Report Responses from Agency**

The 2022 JCR requested that BHA prepare three reports. Electronic copies of the full JCR responses can be found on the DLS Library website.

- ***Pre-Admission Screening and Resident Review (PASRR) Program:*** Language in the fiscal 2023 Budget Bill restricted funds until MDH submitted a report on Maryland’s PASRR program. The report includes a summary of federal PASRR regulations, discusses Maryland’s PASRR program and compliance with federal regulation, and makes recommendations for improvement of Maryland’s PASRR Program, which include updating the Level II Evaluation tool and updating the data management system.
  
- ***Statewide Telebehavioral Health Services Utilization:*** The committees requested that MDH expand the data reported in the MFR submission to include the prevalence of telebehavioral health services in the statewide PBHS. This expansion was not included in the fiscal 2024 MFR submission.
  
- ***MAT:*** The committees requested that MDH submit a report detailing the prevalence of MAT providers by jurisdiction. This report was to include a discussion of barriers to the access or further availability of MAT for individuals with SUDs. The report was due December 1, 2022, and as of February 13, 2023, had not been submitted.



**Appendix 2  
Audit Findings**

Audit Period for Last Audit:	BHA: November 13, 2017, to June 30, 2021 ASO for Behavioral Health Services: January 1, 2019, to June 30, 2021
Issue Date:	October 2022
Number of Findings:	9
Number of Repeat Findings:	2
% of Repeat Findings:	22%
Rating: (if applicable)	unsatisfactory

**Finding 1:** The MCPA evaluation of ASO technical proposals was not sufficiently comprehensive or documented.

**Finding 2:** MCPA did not ensure that ASO’s claim processing system was functioning prior to launch, resulting in numerous system deficiencies that ultimately required ASO to make \$1.06 billion in estimated payments to providers, of which approximately \$223.5 million has not been supported or recovered.

**Finding 3:** **MDH did not conduct audits to ensure that ASO properly authorized behavioral health services.**

**Finding 4:** **MCPA and BHA did not ensure that ASO performed a sufficient number of provider audits, that the audits included financially material and current transactions, and that any overpayments and deficiencies identified were corrected.**

**Finding 5:** Redacted cybersecurity–related finding.

**Finding 6:** A lack of ASO vendor compliance with a certain contract requirement prevented MCPA from obtaining enhanced federal funding.

**Finding 7:** MCPA did not timely investigate and resolve claims paid by ASO for which federal reimbursement was denied or approved for a different amount than the amount paid.

**Finding 8:** MDH had not developed a formal policy on the assessing of liquidated damages and did not assess up to \$20.5 million in liquidated damages permitted by the ASO contract despite the vendor’s ongoing failure to provide an operational system or comply with certain requirements.

**Finding 9:** MDH circumvented State procurement regulations to obtain information technology consulting services totaling approximately \$19.8 million from one vendor.

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

**Appendix 3**  
**Bed Registry and Referral System**  
**Major Information Technology Project**  
**Maryland Department of Health – Behavioral Health Administration**

<b>New/Ongoing:</b> New								
<b>Start Date:</b> Fiscal 2023					<b>Est. Completion Date:</b> Fiscal 2025			
<b>Implementation Strategy:</b> Agile								
(\$ in Millions)	Prior Year	2023	2024	2025	2026	2027	Remainder	Total
<b>GF</b>	\$0.000	\$3.669	\$1.643	\$0.528	\$0.000	\$0.000	\$0.000	<b>\$5.840</b>
<b>Total</b>	<b>\$0.000</b>	<b>\$3.669</b>	<b>\$1.643</b>	<b>\$0.528</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$5.840</b>

- **Project Summary:** Chapter 29 2020 calls for a system that includes (1) a searchable inventory of providers of public and private mental health/SUD services, including inpatient, outpatient, and crisis services; (2) allows self-service for the updating of registry information by providers themselves; (3) an electronic referral system that is available to health care providers in Maryland; and (4) collaboration with the State’s designated health information exchange (HIE).
- **Need:** This project is both in response to the legislative mandate under Chapter 29 and addresses the business needs of BHA to develop a reliable bed registry and referral system.
- **Observations and Milestones:** MDH reported conducting a feasibility study for this project, which included outreach to the State’s designated HIE and other states that have implemented a similar system (Colorado, Connecticut, Florida, Georgia, and Rhode Island). MDH is planning to conduct a buy versus build analysis for the project.
- **Changes:** This project was scheduled to start in fiscal 2023, but MDH funded project management costs in fiscal 2022.
- **Other Comments:** MDH’s behavioral health hospital coordination dashboard is updated three times a day. Emergency regulations were approved on January 27, 2023, that expire July 26, 2023, to require mandated reporting by hospitals. The interim patient care coordination and referral center for behavioral health patients contract with Sheppard Pratt Health Systems was approved by BPW at its December 7, 2022 meeting.

**Appendix 4**  
**Object/Fund Difference Report**  
**Maryland Department of Health – Behavioral 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>
<b>Positions</b>					
01 Regular	134.80	132.80	145.30	12.50	9.4%
02 Contractual	58.77	58.60	51.84	-6.76	-11.5%
<b>Total Positions</b>	<b>193.57</b>	<b>191.40</b>	<b>197.14</b>	<b>5.74</b>	<b>3.0%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 15,277,162	\$ 15,989,032	\$ 17,521,325	\$ 1,532,293	9.6%
02 Technical and Special Fees	3,705,482	4,036,802	4,076,222	39,420	1.0%
03 Communication	80,126	94,082	112,422	18,340	19.5%
04 Travel	36,726	50,468	65,960	15,492	30.7%
08 Contractual Services	2,848,936,187	2,677,438,879	2,902,601,670	225,162,791	8.4%
09 Supplies and Materials	12,957	47,600	23,736	-23,864	-50.1%
10 Equipment – Replacement	16,485	1,000	0	-1,000	-100.0%
11 Equipment – Additional	96,763	0	0	0	0.0%
12 Grants, Subsidies, and Contributions	2,000,000	6,750,000	2,425,723	-4,324,277	-64.1%
13 Fixed Charges	44,379	66,848	62,785	-4,063	-6.1%
<b>Total Objects</b>	<b>\$ 2,870,206,267</b>	<b>\$ 2,704,474,711</b>	<b>\$ 2,926,889,843</b>	<b>\$ 222,415,132</b>	<b>8.2%</b>
<b>Funds</b>					
01 General Fund	\$ 1,030,457,245	\$ 1,182,499,521	\$ 1,364,709,251	\$ 182,209,730	15.4%
03 Special Fund	35,387,299	47,594,154	45,285,376	-2,308,778	-4.9%
05 Federal Fund	1,798,540,536	1,468,325,735	1,510,662,459	42,336,724	2.9%
09 Reimbursable Fund	5,821,187	6,055,301	6,232,757	177,456	2.9%
<b>Total Funds</b>	<b>\$ 2,870,206,267</b>	<b>\$ 2,704,474,711</b>	<b>\$ 2,926,889,843</b>	<b>\$ 222,415,132</b>	<b>8.2%</b>

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

**Appendix 5**  
**Fiscal Summary**  
**Maryland Department of Health – Behavioral Health Administration**

<u>Program/Unit</u>	<u>FY 22 Actual</u>	<u>FY 23 Wrk Approp</u>	<u>FY 24 Allowance</u>	<u>Change</u>	<u>FY 23 - FY 24 % Change</u>
01 Dep. Sec. for Behavioral Health and Disabilities	\$ 1,546,736	\$ 1,508,378	\$ 1,578,988	\$ 70,610	4.7%
01 Program Direction	16,024,751	17,007,734	17,736,190	728,456	4.3%
02 Community Services	382,391,662	453,609,713	662,586,573	208,976,860	46.1%
03 Community Services for Medicaid State Fund	83,403,446	100,047,765	88,986,895	-11,060,870	-11.1%
10 Medicaid Behavioral Health Provider Reimbursements	2,386,839,672	2,132,301,121	2,156,001,197	23,700,076	1.1%
<b>Total Expenditures</b>	<b>\$ 2,870,206,267</b>	<b>\$ 2,704,474,711</b>	<b>\$ 2,926,889,843</b>	<b>\$ 222,415,132</b>	<b>8.2%</b>
General Fund	\$ 1,030,457,245	\$ 1,182,499,521	\$ 1,364,709,251	\$ 182,209,730	15.4%
Special Fund	35,387,299	47,594,154	45,285,376	-2,308,778	-4.9%
Federal Fund	1,798,540,536	1,468,325,735	1,510,662,459	42,336,724	2.9%
<b>Total Appropriations</b>	<b>\$ 2,864,385,080</b>	<b>\$ 2,698,419,410</b>	<b>\$ 2,920,657,086</b>	<b>\$ 222,237,676</b>	<b>8.2%</b>
Reimbursable Fund	\$ 5,821,187	\$ 6,055,301	\$ 6,232,757	\$ 177,456	2.9%
<b>Total Funds</b>	<b>\$ 2,870,206,267</b>	<b>\$ 2,704,474,711</b>	<b>\$ 2,926,889,843</b>	<b>\$ 222,415,132</b>	<b>8.2%</b>

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