

**M00F03**  
**Prevention and Health Promotion Administration**  
 Maryland Department of Health

***Executive Summary***

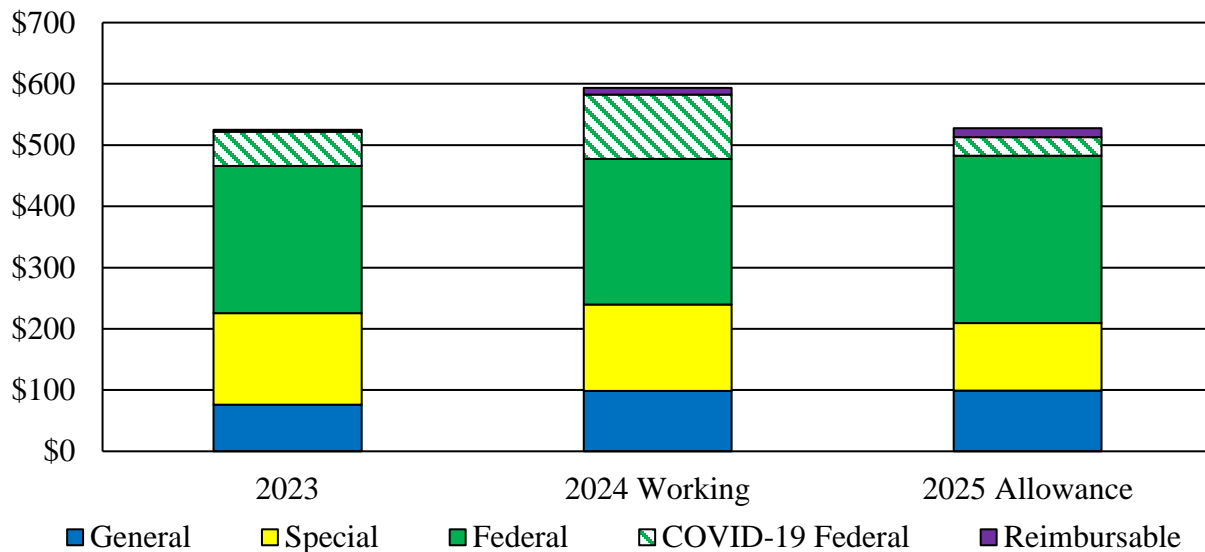
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The mission of the Maryland Department of Health (MDH) Prevention and Health Promotion Administration (PHPA) is to protect, promote, and improve the health and well-being of Marylanders and their families through the provision of public health leadership and community-based health efforts.

***Operating Budget Summary***

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**Fiscal 2025 Budget Decreases \$65.8 Million, or 11.1%, to \$527.7 Million (\$ in Millions)**



Note: The fiscal 2024 working appropriation includes deficiencies. The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this agency’s budget. The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget.

- The largest driver of the \$65.8 million decrease in the fiscal 2025 allowance compared to the fiscal 2024 working appropriation is the expiration of short-term federal supplemental grants distributed by the U.S. Centers for Disease Control and Prevention (CDC) to support the State’s COVID-19 public health response.

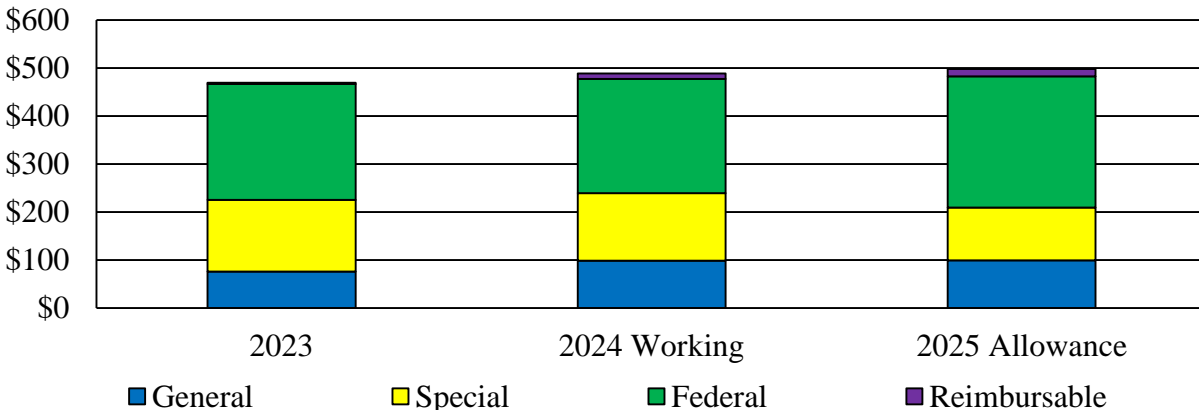
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- PHPA’s fiscal 2025 general fund appropriation is largely level funded, increasing by \$366,243 (0.4%) compared to the fiscal 2024 working appropriation after accounting for a proposed deficiency withdrawing \$5 million for the Pediatric Cancer Fund. General fund spending on new activities and a fund swap offset limited-time enhancements ending in fiscal 2024, such as the cancer moonshot initiative and funding for legislative priorities. Specifically, the fiscal 2025 allowance includes \$10 million for the Center for Firearm Violence Prevention and Intervention (contingent on legislation establishing the center) and a \$3.5 million general fund swap for naloxone purchases that were supported by reimbursable funds from the Opioid Operational Command Center (OOCC) in fiscal 2024.

As shown in **Exhibit 1**, when excluding COVID-19 federal support, PHPA’s fiscal 2025 allowance increases by \$9.4 million, or 1.9%, over the fiscal 2024 working appropriation after accounting for a proposed deficiency appropriation. Although special fund spending decreases by \$30.8 million, primarily due to lower anticipated spending of rebates earned by the Maryland AIDS Drug Assistance Program (MADAP), an increase of \$35.8 million in federal fund spending offsets the special fund reduction. Federal fund expenditures for the Special Supplemental Nutrition Program for Women, Infants, and Children (commonly referred to as the WIC program) and other programs supporting maternal and child health (MCH) drive the federal fund increase.

**Exhibit 1**  
**Three-year Funding Trends, Excluding COVID-19 Federal Support**  
**Fiscal 2023-2025 Allowance**  
 (\$ in Millions)



Note: The fiscal 2024 working appropriation includes deficiencies. The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this agency’s budget. The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget.

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

## ***Key Observations***

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- ***Fiscal 2025 Performance Metrics Did Not Include Cannabis Public Health Outcomes:*** Each fiscal year, PHPA submits objectives, performance goals, and measures for various public health programs in its Managing for Results (MFR) submission. In accordance with Chapter 26 of 2022 (Cannabis Reform), PHPA’s responsibilities expanded to include administration of the Cannabis Public Health Fund. Despite indicating in testimony for the budget hearings during the 2023 session that the agency would develop and recommend new metrics related to the public health impacts of adult-use cannabis legalization, PHPA did not provide any new measures in its fiscal 2025 MFR submission.
- ***MADAP Rebate Balance Expected to be Fully Expended by Fiscal 2024:*** After reporting persistent closing special fund balances of over \$50 million through fiscal 2022, PHPA held a \$15 million closing balance at the end of fiscal 2023 and expected to fully spend down the balance by the end of fiscal 2024. The agency attributed the reduced balance to lower MADAP rebate revenues resulting from increased generic pharmaceuticals and the availability of other drug coverage plans that receive rebates, among other trends.
- ***Increased Food Costs and Enrollment in Maryland WIC Drive Higher Spending:*** The fiscal 2025 allowance for the WIC program increases by \$22 million in federal funds over the fiscal 2024 working appropriation due to increased food costs and caseloads. Enrollment growth is attributable to all eligibility groups after four consecutive years of decreases in program participation for women and infants served. The number of children served also decreased from the prior fiscal year in three of the past four years.

## **Operating Budget Recommended Actions**

	<u><b>Funds</b></u>
1. Amend contingent language related to the Center for Firearm Violence Prevention and Intervention.	
2. Reduce general funds for the Center for Firearm Violence Prevention and Intervention based on the October 1, 2024, effective date, start-up delays, and May 2025 submittal date of a State Plan intended to guide the center’s work. A separate action modifies the language establishing the contingent appropriation to align with this reduction.	-\$ 8,000,000
3. Reduce general funds for the Maryland Prenatal and Infant Care Grant Program Fund based on reported underspending in fiscal 2024.	-\$ 1,000,000

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4. Adopt committee narrative requesting new performance goals and measurements related to public health effects of adult-use cannabis.

**Total Net Change** **-\$ 9,000,000**

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## ***Operating Budget Analysis***

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### **Program Description**

PHPA's mission is to protect, promote, and improve the health and well-being of Marylanders and their families through the provision of public health leadership and community-based health efforts in partnership with local health departments (LHD), public- and private-sector agencies, health care providers, and community-based organizations. PHPA is organized into five bureaus:

- the Infectious Disease Prevention and Health Services Bureau;
- the Infectious Disease Epidemiology and Outbreak Response Bureau;
- the MCH Bureau;
- the Environmental Health Bureau; and
- the Cancer and Chronic Disease Bureau.

PHPA accomplishes its mission by focusing, in part, on the prevention and control of infectious diseases, investigation of disease outbreaks, protection from food-related and environmental health hazards, and helping impacted persons live longer, healthier lives. Additionally, PHPA works to assure the availability of quality primary, prevention, and specialty care services with special attention to at-risk and vulnerable populations. Finally, the agency aims to prevent and control chronic diseases, engage in disease surveillance and control, prevent injuries, provide health information, prevent overdose deaths, and promote healthy behaviors.

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

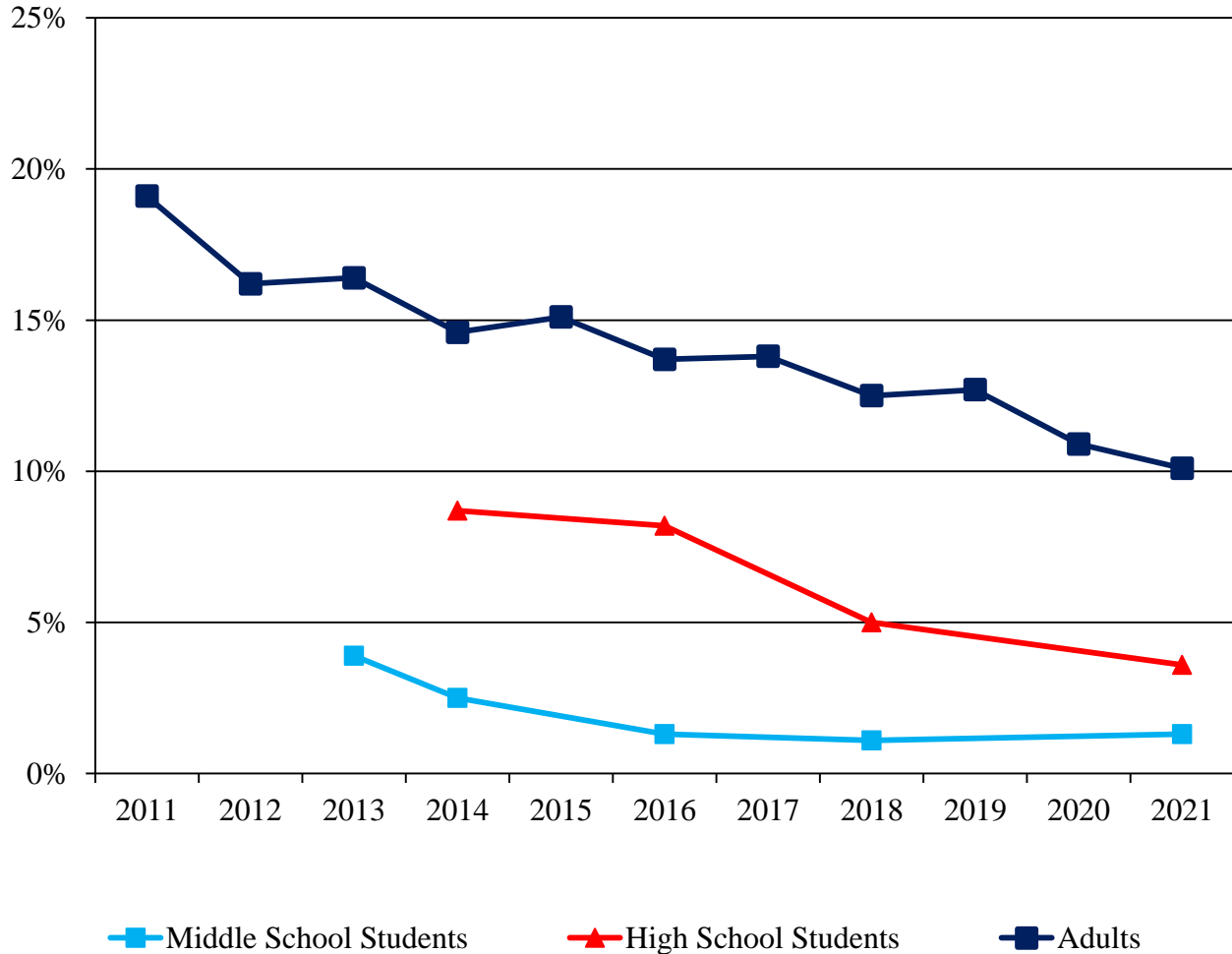
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### **1. Cigarette Use Among Maryland Adults Continues to Decline, Though PHPA Fails to Update Its Performance Goal**

PHPA typically sets annual performance goals to reduce the proportion of Maryland adults who currently use tobacco products. The fiscal 2025 MFR submission did not provide an updated goal and instead repeated the goal to reduce the proportion of Maryland adults who currently smoke cigarettes by 31.9% between the calendar 2011 baseline and calendar 2020. As shown in **Exhibit 2**, the prevalence of cigarette use among Maryland adults substantially declined after calendar 2011, and PHPA met its goal with a decrease of 42.9% from calendar 2011 to 2020. The

proportion of Maryland adults who currently use cigarettes continued to decline beyond calendar 2020, reaching 10.1% in calendar 2021, which represents a 9.0 percentage point (47.1%) reduction compared to 19.1% of adults smoking cigarettes in calendar 2011.

**Exhibit 2**  
**Cigarette Use by Age Group**  
**Calendar 2011-2021**



Note: This data is self-reported by survey respondents in the Behavioral Risk Factor Surveillance System and Youth Risk Behavior Survey/Youth Tobacco Survey. Youth surveys are typically conducted on a biennial basis. However, calendar 2020 data collection was delayed to calendar 2021 due to the COVID-19 pandemic.

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

As a result of youth being surveyed on a biennial basis, fewer years of survey data are available to measure the prevalence of tobacco use among middle school and high school students. Furthermore, data collection and reporting were delayed from calendar 2020 to 2021 due to the COVID-19 pandemic. Exhibit 2 includes cigarette use data among youth for informative purposes because the next year of actual survey data will not be published until the fiscal 2026 MFR submission. This data lag also applies to measures for use of electronic smoking devices (ESD) among youth.

## **Tobacco Use Prevention and Cessation Efforts**

Maryland has consistently invested a portion of its Cigarette Restitution Fund (CRF) expenditures in smoking cessation programs and efforts to reduce tobacco use by minors funded under PHPA since Chapters 172 and 173 of 1999 specified allowable uses for the CRF in statute. Within these broad uses of funds, PHPA has generally focused its spending on best practices for tobacco use prevention and cessation activities published by CDC, such as working with community programs and schools to engage youth in tobacco control interventions. Use of CRF support for tobacco use prevention has expanded to new activities over time while still aligning with best practices. In testimony for the budget hearings in the 2023 session, PHPA reported that it had added prevention and cessation activities focused on ESDs based on CDC guides. For example, PHPA discussed implementing communications campaigns focused on youth vaping and distributing funding to LHDs to work with students who want to quit using ESDs.

Chapter 37 of 2021 increased the State investment in activities aimed at reducing tobacco use in Maryland, among other changes. Beginning in fiscal 2022, Chapter 37 required the Governor to include at least \$18.25 million annually for tobacco use reduction activities. Due to the timing of when the Governor vetoed the bill and the General Assembly overrode the veto, fiscal 2023 was the first year that program funding increased. The fiscal 2025 allowance continues to surpass this mandated funding level with \$19.4 million budgeted in total funds (\$9.8 million in general funds, \$8.9 million in CRF special funds, and \$0.7 million in federal funds). As discussed above, tobacco use trends were generally declining even before this new investment began.

**PHPA should explain its process for selecting MFR goals related to tobacco usage and provide updated goals for the proportion of Maryland adults who currently use cigarettes in calendar 2022 and on. The agency should also discuss the availability of more up-to-date performance and outcome measures to evaluate the effectiveness of increased State investment in tobacco use prevention and cessation efforts, especially related to tobacco and ESD use among youth. The agency should also describe whether it collects tobacco use data at a more granular level by geographic region, jurisdiction, or more specific age groups and the feasibility of including this data in future MFR submissions.**

## **2. Fiscal 2025 Managing for Results Submission Does Not Include Measures Related to Adult-use Cannabis**

Chapter 26 (Cannabis Reform), as amended by Chapters 254 and 255 of 2023, established the Cannabis Public Health Fund to address the health effects associated with the legalization of adult-use cannabis. In accordance with Chapter 26, the fund’s source of revenue is a share of the sales and use tax on adult-use cannabis, and PHPA is charged with administering the new special fund. Allowable uses of the Cannabis Public Health Fund are defined in statute as follows:

- to support the Cannabis Public Health Advisory Council, also established in Chapter 26;
- to support data collection and research on the effects of cannabis legalization in the State;
- to provide funding for education and public awareness campaigns related to cannabis use, including funding for educational programs to be used in schools;
- to support substance use disorder (SUD) counseling and treatment for individuals;
- to provide training and equipment for law enforcement to recognize impairments due to cannabis; and
- to purchase technology proven to be effective at measuring cannabis levels in drivers.

PHPA received \$5.0 million from the Rainy Day Fund in fiscal 2023 for initial capitalization of the Cannabis Public Health Fund, but the fiscal 2024 working appropriation does not include any Cannabis Public Health Fund expenditures. The fiscal 2025 allowance provides approximately \$5.0 million in Cannabis Public Health Fund spending and 5.0 regular positions to administer the fund. Of this amount, PHPA reported a plan to spend \$4.69 million across the following uses:

- \$2.7 million for grants to LHDs and community organizations for data collection and research, public education and awareness, and SUD treatment;
- \$1.15 million for a media campaign and partnership implemented by the Maryland Cannabis Administration (MCA);
- \$450,000 for the Legal Resource Center; and
- \$390,000 for personnel costs related to 3 new regular positions.

**PHPA should provide additional detail for the planned uses of the Cannabis Public Health Fund in fiscal 2025 and explain how the remaining \$310,000 in special funds will be used.**



In PHPA’s budget hearing testimony during the 2023 session, the department indicated that it would work closely with the Maryland Medical Cannabis Commission (now MCA), the Alcohol, Tobacco, and Cannabis Commission (ATCC), and the Cannabis Public Health Advisory Council to develop and recommend performance measures related to cannabis use for inclusion in MFR submissions beginning in fiscal 2025. However, the fiscal 2025 MFR submission did not provide any new measures or outcomes.

**PHPA should provide an update on its current data collection efforts and availability of data related to the public health impacts of adult-use cannabis legalization, specifying performance measures and outcomes that could be developed for use in MFR submissions. The agency should also clarify its data collection role for cannabis-related measures compared to that of MCA and ATCC. The Department of Legislative Services (DLS) recommends adopting committee narrative requesting that PHPA set annual performance goals and provide performance and outcome measures for the prevalence of cannabis use among Maryland adults and youth shown separately, including any other measures related to public health effects of adult-use cannabis that the department deems necessary.**

## **Fiscal 2024**

### **Implementation of Legislative Priorities**

Section 19 of the fiscal 2024 Budget Bill (Chapter 101) included \$5.3 million in general funds added by the General Assembly for the following purposes.

#### **Efforts to Address Alzheimer’s Disease and Related Dementias**

After receiving \$3.5 million in special funds from the Dedicated Purpose Account (DPA) in fiscal 2023 for enhanced Alzheimer’s services and research, PHPA received an additional \$3.5 million in fiscal 2024 to implement the 2022 to 2026 Maryland State Plan to Address Alzheimer’s Disease and Related Dementias submitted by the Virginia I. Jones Alzheimer’s Disease and Related Dementias Council. As of January 25, 2024, PHPA had obligated \$2.8 million of this funding across multiple uses, including:

- \$800,000 for the Maryland Department of Aging to work with Area Agencies on Aging to implement Chapters 667 and 668 of 2023, requiring long-term care and dementia care navigation programs;
- \$397,285 to support public awareness of dementia and healthy brain aging through transit and digital advertisements;
- \$384,370 for community outreach;

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- \$375,000 for grants to LHDs to improve public awareness and increase access to evidence-based programs and cognitive screening;
- \$324,555 for the Alzheimer’s Disease and Related Disorders Academy, which is a one-day event planned for May 2024 for State partners working in cognitive health;
- \$298,297 to support evidence-based practices; and
- \$250,000 for staffing, including the Director of Dementia Services and Brain Health and contractual personnel.

PHPA reported that it was in the process of identifying additional ways to spend the remaining \$670,000 in general funds, such as expanding communication asset placement. The fiscal 2025 allowance does not provide funding for these activities.

**Grants for Family Planning Service Providers**

Section 19 provided \$1.5 million to the MCH Bureau for the Maryland Family Planning Program and other grants to providers of family planning services. Under the Maryland Family Planning Program, PHPA provides subsidized family planning services, with special attention to those who are uninsured with incomes under 250% of federal poverty guidelines, by providing grants to eligible family planning services providers. Services include (1) preconception health; (2) teen pregnancy prevention; (3) birth control methods and emergency contraception; and (4) screening and treatment for sexually transmitted infections. As of January 25, 2024, PHPA reported that it had distributed all supplemental grants for the following purposes:

- \$720,000 to 18 LHDs to offset increased costs for contraceptive devices, medications, and personnel costs; and
- \$780,000 to 11 subgrantees to expand existing program initiatives or implement new initiatives to address other health issues intersecting with reproductive health, such as hypertension, substance use, and cancer prevention.

The fiscal 2025 allowance does not continue funding supplemental grants to family planning providers. However, the \$1.5 million general fund reduction in the Maryland Family Planning Program is partially offset by an increase of \$651,042 in federal funding from the Title X Family Planning Program.

**Center for Infant and Child Loss Grant**

PHPA received \$325,000 to provide a grant to the Center for Infant and Child Loss at the University of Maryland School of Medicine. PHPA indicated that the funding was awarded for grief and bereavement services for families who have experienced the loss of an infant or child, production of an updated statewide safe sleep video, and planning and hosting costs for an annual

statewide safe sleep conference. The fiscal 2025 allowance does not provide grant funding for the center.

## **Proposed Deficiency**

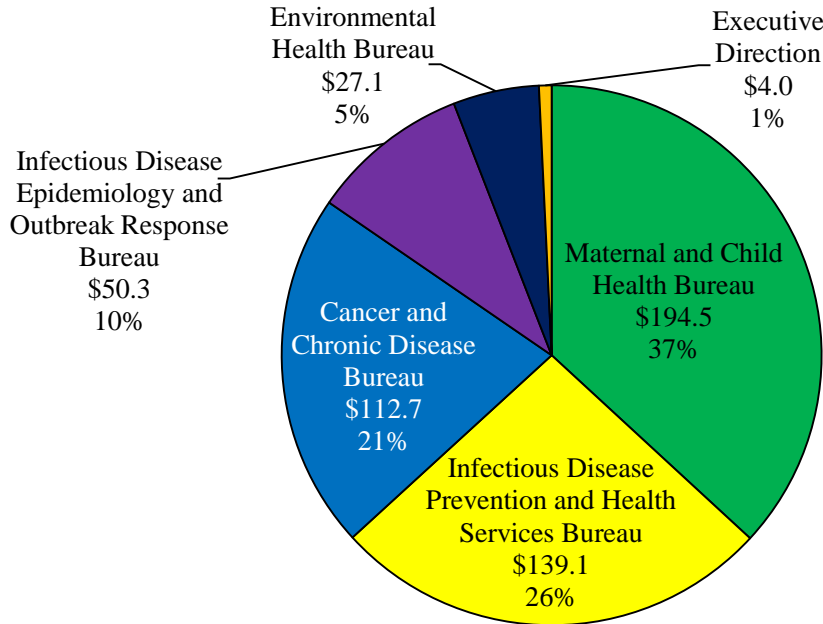
### **Pediatric Cancer Fund Withdrawal**

The fiscal 2025 budget includes a proposed deficiency to withdraw \$5 million in general funds from the Pediatric Cancer Fund, representing the fund’s entire fiscal 2024 appropriation. Chapters 253 and 254 of 2022 established the Maryland Pediatric Cancer Fund within MDH and required the department to administer the fund to distribute pediatric cancer research grants, which could also support prevention and treatment. The fiscal 2023 budget for the MDH Office of the Secretary included \$5.0 million from the DPA for this fund, and the fiscal 2024 budget allocated an additional \$5 million for the fund under PHPA. According to PHPA, none of the fiscal 2023 appropriation was spent due to delays in developing regulations to implement the program and distribute the grants. A separate action in the Budget Reconciliation and Financing Act of 2024 would authorize a transfer of \$5 million from the fund to the General Fund, representing the 2023 appropriation. The combined actions would result in no remaining funding for this purpose.

## **Fiscal 2025 Overview of Agency Spending**

The fiscal 2025 allowance for PHPA totals \$527.7 million. **Exhibit 3** shows PHPA’s fiscal 2025 allowance by its five bureaus and Executive Direction. The MCH Bureau accounts for the largest share of PHPA’s budget at 37%, or \$194.5 million, mainly due to the \$128.3 million federal fund appropriation for the WIC program.

**Exhibit 3  
Overview of Agency Spending  
Fiscal 2025 Allowance  
(\$ in Millions)**



**Total Expenditures = \$527.7 million**

Note: The fiscal 2025 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency’s budget.

Source: Department of Budget and Management

The Infectious Disease Prevention and Health Services Bureau makes up the next largest portion with 26%, or \$139.1 million, of the budget. This office, in partnership with the Infectious Disease Epidemiology and Outbreak Response Bureau, manages infectious disease prevention and control activities, including infectious disease surveillance and vaccine distribution programs and registries. Several other activities, including HIV/AIDS health services, harm reduction, and SUD prevention programs, are also administered by that office.

**Proposed Budget Change**

As shown in **Exhibit 4**, the fiscal 2025 allowance decreases by \$65.8 million compared to the fiscal 2024 working appropriation after accounting for the \$5 million negative deficiency

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withdrawing general funds for the Pediatric Cancer Fund. This net decrease is primarily attributed to a \$72.7 million reduction in federal CDC grants allocated for Maryland’s COVID-19 public health response and a \$36.0 million reduction in special funds from MADAP rebate spending. Increases of \$21.9 million in federal funds for WIC expenditures, \$10 million in general funds for the Center for Firearm Violence Prevention and Intervention (contingent on legislation establishing the center), and net \$7.8 million for personnel costs driven by new positions and contractual conversions, partially offset the reduction in spending. The fiscal 2025 allowance also includes a \$3.5 million general fund swap for naloxone purchases that were previously supported by reimbursable funds from OCCC.

**Exhibit 4  
Proposed Budget**

**Maryland Department of Health – Prevention and Health Promotion Administration  
(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
Fiscal 2023 Actual	\$76,288	\$149,111	\$296,315	\$3,189	\$524,904
Fiscal 2024 Working Appropriation	98,752	140,852	343,059	10,856	593,518
Fiscal 2025 Allowance	<u>99,118</u>	<u>110,010</u>	<u>303,683</u>	<u>14,884</u>	<u>527,694</u>
Fiscal 2024-2025 Amount Change	\$366	-\$30,842	-\$39,376	\$4,028	-\$65,824
Fiscal 2024-2025 Percent Change	0.4%	-21.9%	-11.5%	37.1%	-11.1%

**Where It Goes:**

**Personnel Expenses**

Expenses for 100 new positions after accounting for 2 positions transferred out of PHPA (50 of these positions are contractual conversions approved by BPW in October 2023 that are not reflected in the fiscal 2024 working appropriation) .....	\$7,012
Salary increases and associated fringe benefits including fiscal 2024 COLA and increments .....	3,797
Reclassification costs to hire above base for certain fiscal 2025 new positions and to ensure budget neutrality of contractual conversions.....	333
Workers’ compensation .....	-72
Turnover adjustments (increase from 6.62% to 6.87%).....	-132
Technical adjustments to account for personnel expenses supported by Cigarette Restitution Fund special funds and COVID-19 stimulus funds .....	-274

**End of One-time Enhancements and COVID-19-related Federal Support**

Efforts to address Alzheimer’s Disease and related dementias .....	-3,500
Cancer moonshot initiative supporting research (\$8.3 million for the University of Maryland Medical System and \$1.7 million for Johns Hopkins institutions).....	-10,000
Expiration of ARPA funding for public health contractual services.....	-17,137

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<b>Where It Goes:</b>	<b><u>Change</u></b>
Expiration of Coronavirus Response and Relief Supplemental Appropriations Act funding for public health contractual services.....	-56,003
<b>Maternal and Child Health Bureau</b>	
Special Supplemental Nutrition Program for Women, Infants, and Children (commonly referred to as the WIC program and discussed in Issue 2).....	21,936
Federal MIECHV grant (further discussed in Issue 3) .....	2,259
Federal Teen Pregnancy Prevention Program grant (fiscal 2024 award not reflected in the working appropriation due to timing of the grant announcement) .....	1,362
Maryland Prenatal and Infant Care Grant Program, in accordance with Chapters 494 and 495 of 2021 .....	1,000
School-based health center grants (primarily funded with special funds from the Blueprint for Maryland's Future Fund) .....	-704
End of federal ARPA home visiting funding .....	-764
End of fiscal 2024 supplemental funding for the Maryland Family Planning Program, partially offset by an increase in federal Title X funding .....	-1,060
<b>Other Expenses</b>	
Center for Firearm Violence Prevention and Intervention, contingent on legislation establishing the center, excluding personnel .....	9,722
Immigrant and refugee health promotion supported with federal funds in the Department of Human Services (reimbursable funds).....	7,733
Cannabis Public Health Fund .....	4,610
Net increase in federal support for HIV client, health, and prevention services .....	4,302
Net increase in CARES Act support due to reallocation of unspent funds .....	407
Contractual personnel expenses driven by a net decrease of 45.82 FTE positions (the fiscal 2024 working appropriation does not reflect 50 contractual conversions approved by BPW in October 2023).....	-2,841
Maryland AIDS Drug Assistance Program rebates (special funds), further discussed in Issue 1 .....	-35,957
Other.....	-1,853
<b>Total</b>	<b>-\$65,824</b>

ARPA: American Rescue Plan Act  
 BPW: Board of Public Works  
 CARES: Coronavirus Aid, Relief, and Economic Security  
 COLA: cost-of-living adjustments  
 FTE: full-time equivalent  
 MIECHV: Maternal, Infant, Early Childhood Home Visiting Program  
 PHPA: Prevention and Health Promotion Administration

Note: Numbers may not sum to total due to rounding. The fiscal 2024 working appropriation includes deficiencies. The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this agency’s budget. The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget.

## **Center for Firearm Violence Prevention and Intervention**

SB 475/HB 583 of 2024 are Administration bills that would establish the Center for Firearm Violence Prevention and Intervention within MDH with the purpose of reducing firearm violence, harm from firearm violence, and misuse of firearms in the State by partnering with federal, State, and local agencies and affected communities to implement a public health approach to firearm violence reduction. The bills outline the following center responsibilities:

- working in consultation with the Governor’s Office of Crime Prevention, Youth, and Victim Services (now referred to as the Governor’s Office of Crime Prevention and Policy), the Maryland State Police, and any other relevant State or local agencies to ensure a whole-of-government approach to reducing firearm violence;
- soliciting and considering recommendations from communities disproportionately impacted by firearm violence and public health experts;
- submitting a preliminary State Plan for a Public Health Approach to Reducing Firearm Violence, on or before May 1, 2025; and
- submitting a State Strategic Plan for Firearm Reduction using Public Health Strategies to the Governor and General Assembly, on or before May 1, 2029, and every four years thereafter.

The fiscal 2025 allowance provides \$10 million in general funds for the Center for Firearm Violence Prevention and Intervention within the Environmental Health Bureau, contingent on legislation establishing the center. This appropriation supports \$8.7 million in contractual services, \$1.0 million in grants, and approximately \$300,000 in personnel costs, including 3 new regular positions. The new positions within the center are a director, a health policy analyst, and an epidemiologist.

As of January 25, 2024, MDH was unable to describe the uses of the fiscal 2025 appropriation but reported it was actively evaluating the most effective distribution of the funds to implement data-driven, strategic, local, and evidence-based prevention activities. Additionally, MDH indicated that in 30 days from the January 25 response (February 24, 2024), it would provide the General Assembly with more information for how the funding will be used.

Considering that SB 475/HB 583 establishing the Center for Firearm Violence Prevention and Intervention propose center responsibilities and potential activities that do not define grant distribution or administration of programs that would directly fund strategies and services to prevent firearm violence, it is not clear that the center’s charge necessitates a \$10 million appropriation in fiscal 2025. Further, the effective date contained for the legislation, if enacted, is October 1, 2024, and the legislation as introduced would not require the center to submit a preliminary State Plan for a Public Health Approach to Reducing Firearm Violence until May 1, 2025. This is a concern as the preliminary State Plan is intended to guide the work of the

center. **DLS recommends reducing the fiscal 2025 appropriation for the center to \$2.0 million to account for (1) the bills’ October 1 effective date; (2) startup time needed to establish a new center; and (3) the May 2025 due date for the preliminary State Plan.**

### **Maryland Prenatal and Infant Care Grant Program**

The Maryland Prenatal and Infant Care Coordination Services Grant Program Fund initially distributed grants to counties and municipalities for care coordination services provided to low-income pregnant and postpartum women and to children from birth to age three. Chapters 494 and 495 of 2021 renamed the program as the Maryland Prenatal and Infant Care Grant Program Fund and expanded the fund’s purpose to include grants to federally qualified health centers (FQHC), hospitals, and providers of prenatal care to increase access to prenatal care, which may include behavioral and oral health services necessary for maintaining a healthy pregnancy.

Chapters 494 and 495 also required the Governor to increase the annual appropriation to the fund by \$1.0 million each year between fiscal 2023 and 2025, specifically for grants to FQHCs, hospitals, and providers of prenatal care. In fiscal 2024, PHPA received the mandated \$2.1 million funding level for the program and conducted a competitive funding process. As shown in **Exhibit 5**, approximately \$1.4 million was allocated across six grantees, with the remaining \$736,676 unallocated as of January 25, 2024. PHPA indicated that fewer programs applied for grants in fiscal 2024 than anticipated, and that the department would provide supplemental funding to the existing grantees and repost the competitive funding opportunity.

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**Exhibit 5**  
**Maryland Prenatal and Infant Care Grant Program Fund Allocations**  
**Fiscal 2024**

<u><b>Grantee</b></u>	<u><b>Allocation</b></u>
Mary’s Center	\$399,902
St. Mary’s County Local Health Department	200,000
Greater Baden Medical Services	200,000
CCI Health Services	200,000
Wicomico Local Health Department	200,000
Harford County Local Health Department	163,422
<b>Total Competitive Awards</b>	<b>\$1,363,324</b>
Unallocated funding as of January 25, 2024	\$736,676

Note: The Baltimore City Health Department declined a fiscal 2024 grant, but the Maryland Department of Health indicated that this applicant would receive funding through the program beginning in fiscal 2025.

Source: Maryland Department of Health



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In accordance with Chapters 494 and 495, the fiscal 2025 allowance includes \$1.0 million in additional general funds for a total of \$3.1 million for the program. As of this writing, PHPA planned to allocate the fiscal 2025 awards through the competitive funding process and did not describe any proposed changes to the program. **Due to reported underspending of \$736,676 for fiscal 2024 grants from the Maryland Prenatal and Infant Care Grants Program Fund, DLS recommends reducing the fiscal 2025 allowance by \$1.0 million to continue funding the program at the current level of \$2.1 million.**

### **Capital Region Medical Center Operating Subsidy**

The fiscal 2025 allowance includes a \$10 million operating subsidy for the Capital Region Medical Center, showing no change from the fiscal 2024 amount. Chapter 19 of 2017 mandates an annual operating subsidy of \$10 million in fiscal 2022 through 2028.

### ***Personnel Data***

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	<b><u>FY 23 Actual</u></b>	<b><u>FY 24 Working</u></b>	<b><u>FY 25 Allowance</u></b>	<b><u>FY 24-25 Change</u></b>
Regular Positions	456.40	460.00	560.00	100.00
Contractual FTEs	<u>122.96</u>	<u>119.97</u>	<u>74.15</u>	<u>-45.82</u>
<b>Total Personnel</b>	<b>579.36</b>	<b>579.97</b>	<b>634.15</b>	<b>54.18</b>

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

Turnover and Necessary Vacancies, Excluding New Positions	31.81	6.87%
Positions and Percentage Vacant as of 12/31/23	42.00	9.13%
Vacancies Above Turnover	10.19	

\*The Department of Budget and Management provided revised fiscal 2024 personnel counts to account for contractual conversions approved by the Board of Public Works in October 2023. As a result, the listed positions do not match revised virtual copies of the fiscal 2025 budget books.

- The fiscal 2024 working appropriation does not reflect 50 conversions of existing contractual full-time equivalent (FTE) positions to regular positions that were approved by the Board of Public Works (BPW) on October 25, 2023. Of these positions, 28 are budgeted within the Infectious Disease Prevention and Health Services Bureau and mainly support MADAP client services and other services for individuals with HIV/AIDS or other sexually transmitted infections, 10 are allocated to the Infectious Disease Epidemiology and Outbreak Response Bureau, 8 positions are budgeted under the MCH and Cancer and

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Chronic Disease Bureaus, and the remaining 4 positions support Executive Direction and the Environmental Health Bureau.

- The fiscal 2025 allowance provides 50 additional new positions for PHPA, which include planned contractual conversions and 3 position transfers from other MDH offices. Language attached to the Office of the Secretary appropriation authorizes MDH to convert up to 540 contractual positions departmentwide. However, as of January 25, 2024, details regarding the number of new positions and planned contractual conversions by MDH office were unavailable. Additionally, on January 3, 2024, BPW approved 2 contractual conversions within PHPA that are not reflected in the fiscal 2025 allowance.

**MDH should specify the timing of when the contractual conversions will be reflected in the fiscal 2024 working appropriation. The department should also provide a list of the remaining 47 new positions and 3 position transfers budgeted in fiscal 2025 that details each position’s title, the program it will support, and the need for the new position.**

- It should be noted that January 2024 vacancy data submitted by the Department of Budget and Management listed 84 vacancies under PHPA, or a vacancy rate of 18.26%, but this count seemed to include 42 new positions that aligned with contractual conversions approved by BPW in October 2023. MDH indicated that most of the contractual FTE positions were filled at the time they were converted to regular positions, so the inclusion of these positions as vacant appears to be a system error. As of January 3, 2024, PHPA’s remaining 42 vacancies outpaced budgeted turnover by more than 10 positions, which will lead to salary and fringe benefit savings in fiscal 2024.

**MDH should clarify the number of vacant positions and vacancy rate within PHPA as of January 3, 2024, and discuss how it will spend salary and fringe benefit savings resulting from having more vacancies than necessary to meet budgeted turnover.**

## *Issues*

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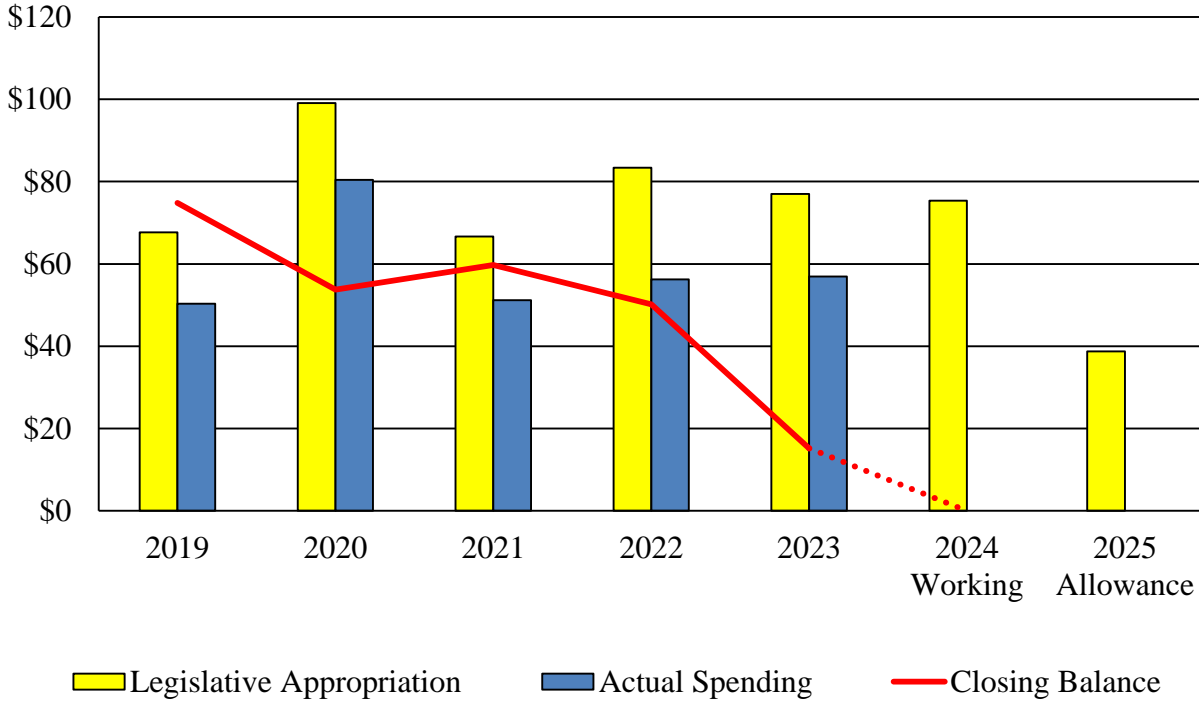
### **1. MADAP Rebate Special Fund Balance Falls Rapidly and Expected to Be Fully Expended in Fiscal 2024**

Under federal law, states receive rebates on medications purchased at a price higher than a federally set rate. These rebates can then be used by state AIDS drug assistance programs to provide health care and support services to people living with HIV/AIDS, implement prevention programs, and fund other HIV/AIDS-related activities. MADAP rebates can be generated from medications purchased with federal Ryan White Part B grants or general funds. Rebates generated from general fund spending do not have the same restrictions on the use of funds as rebates generated from federal fund sources. In Maryland, HIV/AIDS services provided by programs funded with MADAP rebates include:

- the purchase of pharmaceuticals;
- insurance premiums or copays;
- oral health care;
- housing stability;
- syringe services; and
- pre-exposure prophylaxis clinics.

Historically, MADAP annually generated over \$45 million in special funds for the State via rebates and had accumulated a significant fund balance in prior fiscal years. As shown in **Exhibit 6**, PHPA held a closing balance in MADAP rebates totaling above \$50.0 million from fiscal 2019 to 2022. In each year over that period, PHPA underspent its legislative appropriation for MADAP rebate expenditures. PHPA previously indicated that the fund balance resulted from workforce shortages in LHDs and other providers and delays in subrecipient contracting, which led to persistent underspending of State grants. HIV/AIDS services are primarily delivered through grants to LHDs and other community-based providers, and these partners had further underspent their rebate fund allocations since the onset of the COVID-19 public health emergency due to significant reductions in service utilization. The pandemic caused programs to limit their HIV/AIDS services as care access points temporarily closed and programs redirected personnel and resources to the emergency COVID-19 response.

**Exhibit 6  
MADAP Rebate Spending and Closing Fund Balance  
Fiscal 2019-2025  
(\$ in Millions)**



MADAP: Maryland AIDS Drug Assistance Program

Note: Dashed line reflects estimated closing special fund balance of rebates.

Source: Maryland Department of Health; Department of Legislative Services

However, most recently, in fiscal 2023, the department spent \$57.0 million, and although this level was still \$20 million less than the fiscal 2023 legislative appropriation, the closing fund balance dropped sharply to \$15.2 million. PPHA reported rebate revenues of only \$22.3 million in fiscal 2023, driving the reduced closing balance. On January 25, 2024, PPHA reported that it expected to spend down the entire balance of rebates by the close of fiscal 2024 as rebate revenues are expected to remain lower than historic levels. MADAP rebates budgeted under PPHA in the fiscal 2025 allowance decline rapidly to \$38.9 million compared to the \$75.4 million fiscal 2024 working appropriation. PPHA indicated that following the rebate balance being fully expended by the close of fiscal 2024, MADAP special fund spending decreases to align with anticipated annual rebate revenues. PPHA attributed the decrease in revenues to the onset of generic pharmaceuticals, increase in 340B entities claiming rebates, and changes in pharmaceutical manufacturer rebate management processes.

## **MADAP Case Management System Development**

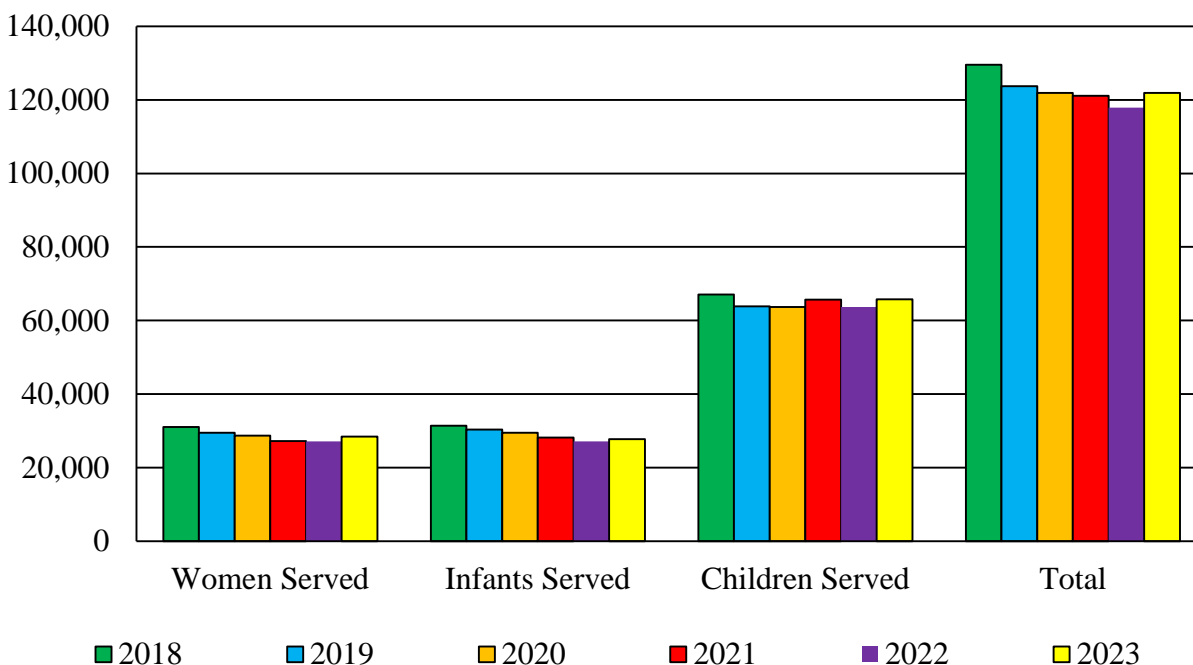
MDH is implementing a major information technology development project (MITDP) to automate and modernize the MADAP case management system, though the scope of the project was recently reduced to a configurable off-the-shelf application rather than a custom designed system (described in further detail in **Appendix 2**). Approximately \$2.1 million and \$555,408 in MADAP rebate funds were appropriated under MDH’s MITDP budget in fiscal 2023 and 2024, respectively, for the case management system. However, information technology (IT) project support material included in the Governor’s fiscal 2025 budget books reflects a negative appropriation of \$1.5 million as the fiscal 2024 MADAP special fund appropriation for the project. The fiscal 2025 allowance provides \$2.31 million in general funds for the project. According to PHPA, MADAP rebate special funds can no longer support the project because all projected incoming revenues already support planned MADAP and HIV/AIDS services spending in the PHPA allowance. **PHPA should clarify the fiscal 2024 appropriation for the MADAP case management system and explain why a negative appropriation of \$1.5 million is listed in the Governor’s fiscal 2025 budget books.**

## **2. WIC Food Costs and Enrollment Increases, Driving Budgetary Increase**

Through the federally funded Maryland WIC program, PHPA provides supplemental food, referrals to health care and social services, breastfeeding promotion and support, and nutrition education to low-income women, infants, and children. Eligible groups specifically include low-income (below 185% of the federal poverty level) pregnant, postpartum, and breastfeeding women and children up to age five.

As shown in **Exhibit 7**, after four consecutive years of overall WIC enrollment in Maryland decreasing compared to the prior fiscal year, from fiscal 2022 to 2023, WIC enrollment grew by 4,029 participants. This increase is attributable to all three eligibility groups as the number of women, infants, and children served in fiscal 2023 each increased by at least 2% compared to fiscal 2022. Reflecting higher enrollment, the fiscal 2025 allowance includes an increase of \$22 million in federal funds supporting the WIC program. However, PHPA reported that while increased participation accounted for some of the spending growth, increased food costs were the main driver of the growth in WIC expenditures.

**Exhibit 7  
Maryland WIC Enrollment by Participant Category  
Fiscal 2018-2023**



WIC: Special Supplemental Nutrition Program for Women, Infants, and Children

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

**3. Timeliness of Maternal, Infant, and Early Childhood Home Visiting Contracting and Fund Distribution**

MDH has coordinated the Maryland Maternal, Infant, and Early Childhood Home Visiting (MIECHV) Program since it was established in calendar 2010 through the federal Patient Protection and Affordable Care Act. This program is federally funded and serves pregnant women and parents of young children in communities with higher risk of poor MCH outcomes. MDH is required to award grants to evidence-based, voluntary home visiting programs that aim to enhance parenting and promote growth and development in young children. There are three approved evidence-based home visiting models for local jurisdictions from which to choose. The fiscal 2025 allowance includes a \$2.36 million increase in federal funds under MIECHV due to increased state allocations as part of a recent reauthorization by the U.S. Congress. PHPA reported that this additional funding will allow the program to expand to 9 more jurisdictions, for a total of 19 participating jurisdictions.

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Language in the fiscal 2024 Budget Bill (Chapter 101) restricted \$50,000 in general funds until PHPA, in consultation with the Baltimore City Health Department (BCHD), submitted a report on the timeliness of contract approval and fund distribution under the MIECHV program. MDH submitted the report on January 12, 2024. The department described how BCHD administers all three evidence-based home visiting models across five sites, with one program directly implemented by LHD and other programs administered by subcontractors.

The report detailed MDH’s multistep award process that can take up to six months to complete. This process begins with a budget allocation notification, in which LHDs receive budget allocations and applications before the start of a fiscal year. MDH then distributes budget instructions and conditions of awards to LHDs, grant specialists complete a preliminary review of received applications and budget forms, and program staff perform a programmatic review. Once applications are approved, they are sent to the Fiscal Service Agency’s Division of Grants and Local Health Accounting for final approval, after which MDH sends a letter to the LHD with the approved award amount. MDH outlined circumstances in fiscal 2020, 2021, and 2024 that delayed this process, including staffing transitions and BCHD submitting revised applications, though the department did not describe the extent of contract process delays.

BCHD also outlined its multistep contract process for subcontractors in the report and described the process as taking four months or more to complete. The process starts with a BCHD and MDH agreement with the vendor, in which BCHD drafts and approves the dissemination of the letter of award to vendors. Program staff of BCHD then assist the vendor in compiling all necessary documents and submitting a budget. Next, program staff route and approve documents within the LHD. The last step is for the Contracts Unit to route the vendors’ documents to all local agencies that must review and approve the contract, with the Baltimore City Board of Estimates providing final approval and execution. BCHD outlined the following delays with the Family League of Baltimore (Family League) contract.

- In fiscal 2022, the Contracts Unit prioritized contracts related to COVID-19 emergency response needs and the manager of the unit retired, causing staffing challenges. These factors led to a contract processing backlog forming.
- In fiscal 2023, the prior year’s backlog carried forward, and staffing challenges at multiple review agencies coupled with technical issues with the Minority and Women’s Business Opportunity Office’s (one of the review agencies) IT systems led to additional delays. The report further details contract processing tasks that were required due to certain federal requirements not being met, specifically funds needing to be spent to align with the federal award period.
- In fiscal 2024, BCHD sent a revised award letter to the Family League to accommodate changes in the funding source for a program and, as of January 12, 2024, had not received contract documents from the vendor to proceed with the contracts process.

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MDH and BCHD indicated that the following recommendations were jointly developed to increase efficiency and timeliness of MIECHV contract processes:

- BCHD will conduct an analysis of the contract process to identify areas of efficiency and build required processes into the timeline;
- BCHD will establish regular follow-up actions to track the status of the contract;
- BCHD will continue to recruit, train, and retain staff in the Contracts Unit; and
- MDH will provide a subcontract execution date and timely notification of the budget allocation for BCHD to start the process.

**DLS determined the report to be in compliance with the language and recommends the release of \$50,000 in general funds restricted in fiscal 2024 pending the submission of a report regarding timeliness of MIECHV contracting and fund distribution and will process a letter to this effect if no objections are raised by the subcommittees.**



## Operating Budget Recommended Actions

1. Amend the following language on the general fund appropriation:

, provided that \$2,000,000 of this appropriation is contingent upon passage of legislation establishing the Center for Firearm Violence Prevention and Intervention.

**Explanation:** This action is technical and amends language that makes the funding for the Center for Firearm Violence Prevention and Intervention contingent on the enactment of legislation. A separate action reduces the funding for the Center for Firearm Violence Prevention and Intervention to provide \$2,000,000.

- |  | <b><u>Amount<br/>Change</u></b> |    |
|--|---------------------------------|----|
| 2. Reduce general funds for the Center for Firearm Violence Prevention and Intervention based on the October 1, 2024, effective date, startup delays, and May 2025 submittal date of a State Plan intended to guide the center’s work. A separate action modifies the language establishing the contingent appropriation to align with this reduction. | -\$ 8,000,000                   | GF |
| 3. Reduce general funds for the Maryland Prenatal and Infant Care Grant Program Fund to maintain the current level of funding based on reported underspending in fiscal 2024.  | -\$ 1,000,000                   | GF |
| 4. Adopt the following narrative:  |                                 |    |

**Performance Measures Related to Public Health Effects of Adult-use Cannabis:** Chapter 26 of 2022 (Cannabis Reform) established the Cannabis Public Health Fund within the Maryland Department of Health Prevention and Health Promotion Administration (PHPA) and charged PHPA with administering the fund to address the health effects associated with the legalization of adult-use cannabis. Considering this new State investment in cannabis-related public health activities, the committees request that PHPA include goals, objectives, and performance measures and outcomes related to public health effects of adult-use cannabis legalization. Performance measures should include, but not be limited to, the prevalence of cannabis use among Maryland adults and youth shown separately.

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<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Performance goals and measures related to public health effects of adult-use cannabis legalization	PHPA	With the submission of the fiscal 2026 allowance and annually thereafter
<b>Total General Fund Net Change</b>		<b>-\$ 9,000,000</b>

**Appendix 1**  
**2023 Joint Chairmen’s Report Responses from Agency**

The 2023 *Joint Chairmen’s Report* (JCR) requested that MDH prepare four reports. Electronic copies of the full JCR responses can be found on the DLS Library website.

- ***Operating Costs of Mobile COVID-19 Vaccine Clinics and Missions:*** The committees requested information regarding the cost of contracting with certain third-party vendors for mobile COVID-19 vaccine clinics and missions to improve vaccine uptake. MDH discussed using different procurement processes and methodologies for contracts with three vendors between June to December 2021 and four vendors between September 2021 to June 2022. Overall, the vendors operated 1,764 vaccination clinics. The report listed a total cost of \$14.9 million and a range of \$95 to \$757 for billed cost per vaccine across the Mobile Vaccination Program. MDH specified that costs per vaccine included in the report varied based on the vendors’ differing pricing structures and that all expenses were covered with federal public assistance funds from the Federal Emergency Management Agency.
- ***Ready Reserve for Laboratory Testing:*** Considering COVID-19 variants and surges and other public health threats, the committees requested that MDH report on the feasibility of establishing a ready reserve of laboratories in the State, including how laboratories would maintain personnel, testing equipment, and facilities. MDH reported its continued use of COVID-19 federal funding to improve testing capabilities, such as procuring automated specimen processing and higher volume diagnostic testing equipment. Regarding personnel, MDH described multiple challenges in maintaining a cohort of ready reserve lab scientists, such as a limited pool of lab scientists with high technical skills and ongoing training performed at Bio-safety level three in laboratories to perform tests productively during a pandemic. The department identified nonpersonnel factors that influenced the State’s pandemic responsiveness like the flexibility of the federal regulatory environment and accessibility of needed materials to validate tests.
- ***Timeliness of MIECHV Contracting and Fund Distribution:*** Language in the fiscal 2024 Budget Bill (Chapter 101) restricted \$50,000 in general funds pending a report on timeliness of MIECHV contracting and fund distribution. Further discussion of the report can be found in Issue 3.
- ***Medicaid Claiming in School-based Health Centers (SBHC):*** The committees expressed concern that MDH identified multiple structural barriers preventing SBHCs from successfully billing Medicaid for health services provided to students. As a result, the committees requested a report that would analyze Medicaid claims for SBHC services and describe MDH’s efforts and program changes that limit the barriers for claiming. The report was due on October 1, 2023, and MDH submitted the report on January 25, 2024. This submittal date did not allow enough time for analysis to be included in this report.

**Appendix 2**  
**MADAP Case Management System**  
**Major Information Technology Development Project**  
**Maryland Department of Health – Prevention and Health Promotion Administration**

Funding for this program is budgeted in the MITDP within the MDH Office of the Secretary.

<b>New/Ongoing:</b> Ongoing								
<b>Start Date:</b> January 10, 2022					<b>Est. Completion Date:</b> July 30, 2027			
<b>Implementation Strategy:</b> Agile								
<b>(\$ in Millions)</b>	<b>Prior Year</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Remainder</b>	<b>Total</b>
<b>GF</b>	\$0.111	\$0.111	\$2.308	\$2.117	\$1.134	\$0.000	\$0.000	\$5.781
<b>SF</b>	2.105	-1.543	0.000	0.000	0.000	0.000	0.000	0.562
<b>Total</b>	<b>\$2.215</b>	<b>-\$1.432</b>	<b>\$2.308</b>	<b>\$2.117</b>	<b>\$1.134</b>	<b>0.000</b>	<b>\$0.000</b>	<b>\$6.342</b>

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

- Project Summary:** This project aims to automate and modernize MADAP’s case management system to streamline client data management and improve eligibility and enrollment processes. MDH uses the case management system to ensure that MADAP participants living with HIV or AIDS receive timely and proper amounts of financial support for medication.
- Changes:** MDH and the Department of Information Technology (DoIT) previously described the project as using a custom-built solution to integrate the system with DoIT’s OneStop Portal Service and applications managed by MDH’s partnering agencies and stakeholders. However, MDH and DoIT’s project update provided in January 2024 explained that the development partner, Enovational, filed for bankruptcy during the design phase. As a result, MDH reduced the scope of the project to a Software as a Service solution that would require minimal development but would be a configurable off-the-shelf system. Current estimated project costs of \$6.3 million reflect a \$1.2 million reduction compared to cost projections provided during the 2023 session, in line with the reduced scope. However, estimated project completion has been delayed by one year to fiscal 2027.
- Concerns:** DoIT revised the project’s risk factors considered to be high risk from 9 out of 11 under the initial scope and design of the project to only funding as a high risk and resource availability as a medium risk under the new scope. MDH emphasized a need to use general funds for the project rather than the program’s special fund due to limited availability of MADAP special funds after fiscal 2024.
- Other Comments:** In the fiscal 2024 budget, the general fund appropriation proposed for this project was deleted due to use of MADAP special funds for the project in prior years and the availability of special funds as MDH reported persistently high closing balances.

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A fiscal 2024 budget amendment processed in November 2023 realigned \$555,408 in special funds from PHPA to the MDH Office of the Secretary for the case management system MITDP. However, it is not clear why support material provided in the Governor’s fiscal 2025 budget books for this project reports the fiscal 2024 special fund appropriation as -\$1.543 million. The project’s funding schedule continues to estimate a general fund need of over \$5 million through fiscal 2027.

**Appendix 3**  
**Object/Fund Difference Report**  
**Maryland Department of Health – Prevention and Health Promotion Administration**

<u>Object/Fund</u>	<u>FY 23</u> <u>Actual</u>	<u>FY 24</u> <u>Working</u> <u>Appropriation</u>	<u>FY 25</u> <u>Allowance</u>	<u>FY 24 - FY 25</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
<b>Positions</b>					
01 Regular	456.40	460.00	560.00	100.00	21.7%
02 Contractual	122.96	119.97	74.15	-45.82	-38.2%
<b>Total Positions</b>	<b>579.36</b>	<b>579.97</b>	<b>634.15</b>	<b>54.18</b>	<b>9.3%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 50,713,954	\$ 54,157,467	\$ 64,821,260	\$ 10,663,793	19.7%
02 Technical and Special Fees	9,985,678	7,746,584	4,905,621	-2,840,963	-36.7%
03 Communication	382,894	396,962	416,812	19,850	5.0%
04 Travel	393,477	754,930	625,523	-129,407	-17.1%
07 Motor Vehicles	122,141	195,890	201,877	5,987	3.1%
08 Contractual Services	331,115,811	371,359,413	298,712,575	-72,646,838	-19.6%
09 Supplies and Materials	40,789,280	38,227,191	45,197,578	6,970,387	18.2%
10 Equipment – Replacement	11,363	108,194	114,467	6,273	5.8%
11 Equipment – Additional	734,041	692,529	376,086	-316,443	-45.7%
12 Grants, Subsidies, and Contributions	89,453,814	124,016,084	111,502,998	-12,513,086	-10.1%
13 Fixed Charges	1,201,476	863,167	819,252	-43,915	-5.1%
<b>Total Objects</b>	<b>\$ 524,903,929</b>	<b>\$ 598,518,411</b>	<b>\$ 527,694,049</b>	<b>-\$ 70,824,362</b>	<b>-11.8%</b>
<b>Funds</b>					
01 General Fund	\$ 76,287,977	\$ 103,751,544	\$ 99,117,787	-\$ 4,633,757	-4.5%
03 Special Fund	149,111,153	140,852,259	110,009,877	-30,842,382	-21.9%
05 Federal Fund	296,315,344	343,058,913	303,682,614	-39,376,299	-11.5%
09 Reimbursable Fund	3,189,455	10,855,695	14,883,771	4,028,076	37.1%
<b>Total Funds</b>	<b>\$ 524,903,929</b>	<b>\$ 598,518,411</b>	<b>\$ 527,694,049</b>	<b>-\$ 70,824,362</b>	<b>-11.8%</b>

Note: The fiscal 2024 appropriation does not include deficiencies. The fiscal 2025 allowance does not include statewide salary adjustments budgeted within the Department of Budget and Management.

**Appendix 4**  
**Fiscal Summary**  
**Maryland Department of Health – Prevention and Health Promotion Administration**

<u>Program/Unit</u>	<u>FY 23</u> <u>Actual</u>	<u>FY 24</u> <u>Wrk Approp</u>	<u>FY 25</u> <u>Allowance</u>	<u>Change</u>	<u>FY 24 - FY 25</u> <u>% Change</u>
01 Administrative, Policy, and Management	\$ 247,526,320	\$ 304,473,139	\$ 220,463,482	-\$ 84,009,657	-27.6%
04 Family Health and Chronic Disease Services	277,377,609	294,045,272	307,230,567	13,185,295	4.5%
<b>Total Expenditures</b>	<b>\$ 524,903,929</b>	<b>\$ 598,518,411</b>	<b>\$ 527,694,049</b>	<b>-\$ 70,824,362</b>	<b>-11.8%</b>
General Fund	\$ 76,287,977	\$ 103,751,544	\$ 99,117,787	-\$ 4,633,757	-4.5%
Special Fund	149,111,153	140,852,259	110,009,877	-30,842,382	-21.9%
Federal Fund	296,315,344	343,058,913	303,682,614	-39,376,299	-11.5%
<b>Total Appropriations</b>	<b>\$ 521,714,474</b>	<b>\$ 587,662,716</b>	<b>\$ 512,810,278</b>	<b>-\$ 74,852,438</b>	<b>-12.7%</b>
Reimbursable Fund	\$ 3,189,455	\$ 10,855,695	\$ 14,883,771	\$ 4,028,076	37.1%
<b>Total Funds</b>	<b>\$ 524,903,929</b>	<b>\$ 598,518,411</b>	<b>\$ 527,694,049</b>	<b>-\$ 70,824,362</b>	<b>-11.8%</b>

Note: The fiscal 2024 appropriation does not include deficiencies. The fiscal 2025 allowance does not include statewide salary adjustments budgeted within the Department of Budget and Management.