

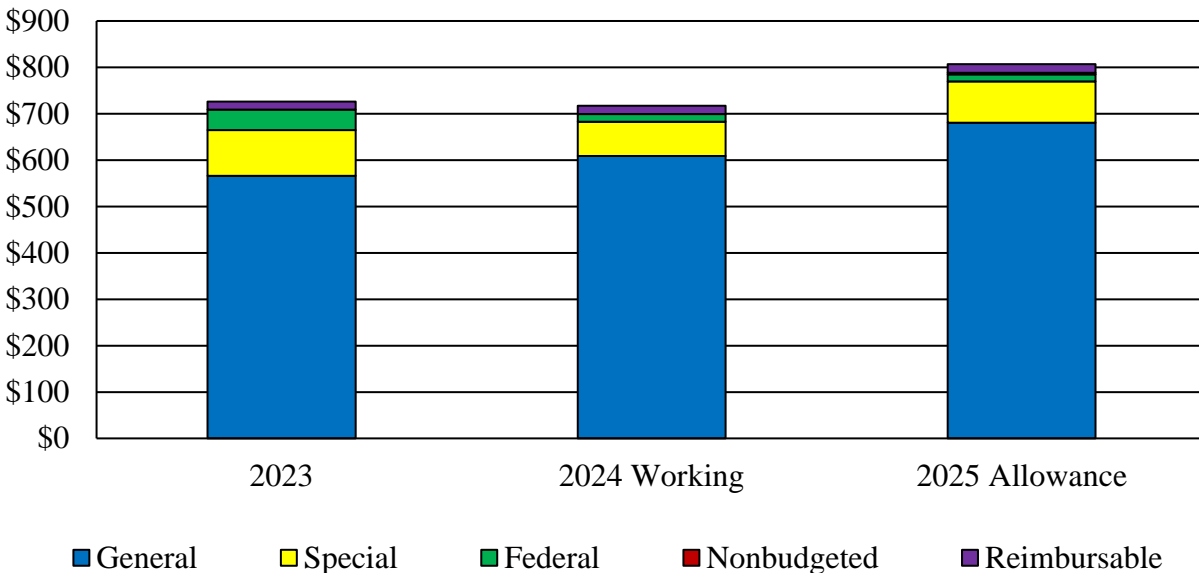
M00A01
Administration
Maryland Department of Health

Executive Summary

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

Operating Budget Summary

Fiscal 2025 Budget Increases \$90.1 Million, or 12.6%, to \$807.3 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 fiscal 2025 allowance includes contingent reductions and \$3,349,882 in nonbudgeted funds for contractual conversions contingent on language in the fiscal 2025 Budget Bill.

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- The \$90.1 million increase in the fiscal 2025 allowance compared to the fiscal 2024 working appropriation is driven largely by increases of \$25.0 million in personnel costs attributed to the addition of 427.5 new positions, \$15.8 million through an increased payout from opioid settlement agreements, and approximately \$33 million for data system improvements.

Key Observations

- ***MDH Reduced Its Vacancy Rate in Fiscal 2023 and 2024 and Adds Several Hundred New Positions in Fiscal 2025:*** As of January 2024, MDH carried the lowest vacancy rate among its administration offices and facilities since fiscal 2021, though the vacancy rate remained above 10%. The fiscal 2025 allowance adds 427.5 new positions in MDH Administration offices and facilities in fiscal 2025. Most of these positions are distributed across the 11 State health facilities included in this budget.
- ***Amid Rising Overdoses in the State, MDH Continues to Distribute Opioid Settlement Funding to Local Jurisdictions:*** The Office of Overdose Response (OOR), formerly named the Opioid Operational Command Center (OOCC), oversees grant programs to distribute funds received in the Opioid Restitution Fund (ORF) through various opioid settlements.

Operating Budget Recommended Actions

1. Add language restricting funds pending a Maryland Department of Health staffing and salary study.
2. Adopt committee narrative requesting a report on overdose response efforts.

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Operating Budget Analysis

Program Description

The MDH Administration budget analysis includes the Office of the Secretary, which is divided into Executive Direction and Operations functions. These offices establish State health policies, supervise the administration of State and local health laws, and manage departmentwide operations, including administrative, financial, IT, and general services such as central warehouse management, inventory control, fleet management, space management, and management of engineering/construction projects.

The Operations function also oversees 11 State-run facilities:

- four regional adult psychiatric hospitals (Thomas B. Finan Hospital Center, Eastern Shore Hospital Center, Springfield Hospital Center, and Spring Grove Hospital Center (SGHC));
- two Regional Institutes for Children and Adolescents (RICA) in Baltimore City and Rockville (RICA – Baltimore City and RICA – John L. Gildner (JLG), respectively);
- one maximum security forensic psychiatric hospital, Clifton T. Perkins Hospital Center (Perkins);
- two chronic and long-term care hospitals (Western Maryland Hospital Center (WMHC) and Deer’s Head Hospital Center (DHHC)); and
- two Developmental Disabilities Administration (DDA) State Residential Centers serving individuals with developmental disabilities (Potomac Center and Holly Center) and a Secure Evaluation and Therapeutic Treatment (SETT) unit currently housed at the Potomac Center.

Other components of the Office of the Secretary include OIGH, OOR (formerly referred to as OOC), and the Office of Minority Health and Health Disparities as well as major IT spending for the entire department, excluding Medicaid.

Performance Analysis: Managing for Results

1. Resident and Staff Safety at MDH Facilities

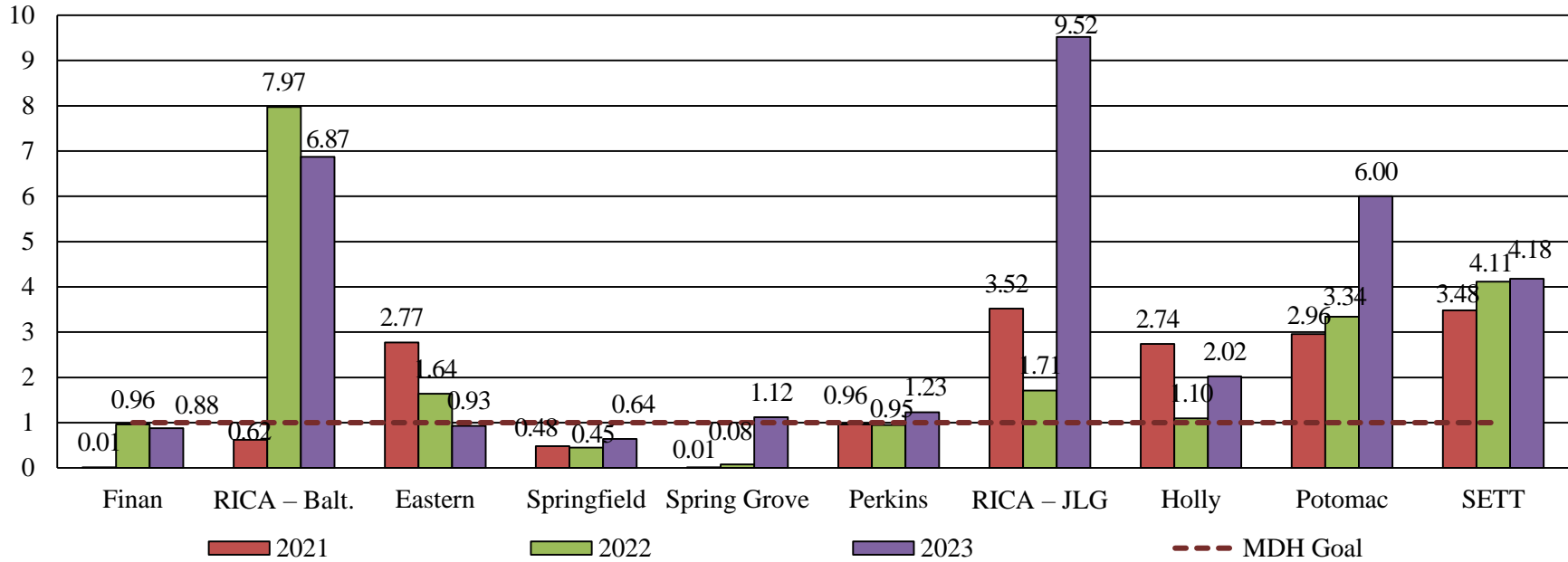
MDH measures staff safety at nine State health facilities (excluding the chronic and long-term care hospitals) by collecting data on patient-on-staff assaults and calculating the rate of assault per 1,000 bed days. Patient bed days are defined as the number of days an inpatient receives services. The department includes this data with its annual submission of Managing for Results (MFR) performance measures. Other data submitted include the number of employee and patient injuries, restraint hours, and seclusion hours. Language in the fiscal 2024 Budget Bill (Chapter 101) required MDH to submit an update on standardizing its patient and staff safety measures across facilities to better analyze and assess safety data throughout the MDH Healthcare System. The new method enables MDH to compare safety levels across different behavioral health and DDA facilities.

As shown in **Exhibit 1**, the fiscal 2023 rate of patient-on-staff assaults in all but three facilities exceeded the MDH goal of fewer than 1 assault per 1,000 patient days. In most facilities, the rate of assaults increased between fiscal 2022 and 2023. In particular, the rate of assaults at RICA – JLG increased by more than five times the rate in fiscal 2022. RICA – JLG has a history of carrying a vacancy rate above 10%, and the fiscal 2025 allowance includes funding for additional positions at the facility for a new unit. A discussion of vacancies at inpatient facilities and other MDH offices is included in Issue 1.

Exhibit 1
Staff Safety at State Facilities
Patient-on-staff Assaults Per 1,000 Patient Days
Fiscal 2021-2023

Analysis of the FY 2025 Maryland Executive Budget, 2024

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Eastern: Eastern Shore Hospital Center
 Finan: Thomas B. Finan Hospital Center
 Perkins: Clifton T. Perkins Hospital Center
 RICA – Balt.: Regional Institute for Children and Adolescents – Baltimore City
 RICA – JLG: Regional Institute for Children and Adolescents – John L. Gildner
 SETT: Secure Evaluation and Therapeutic Treatment Unit

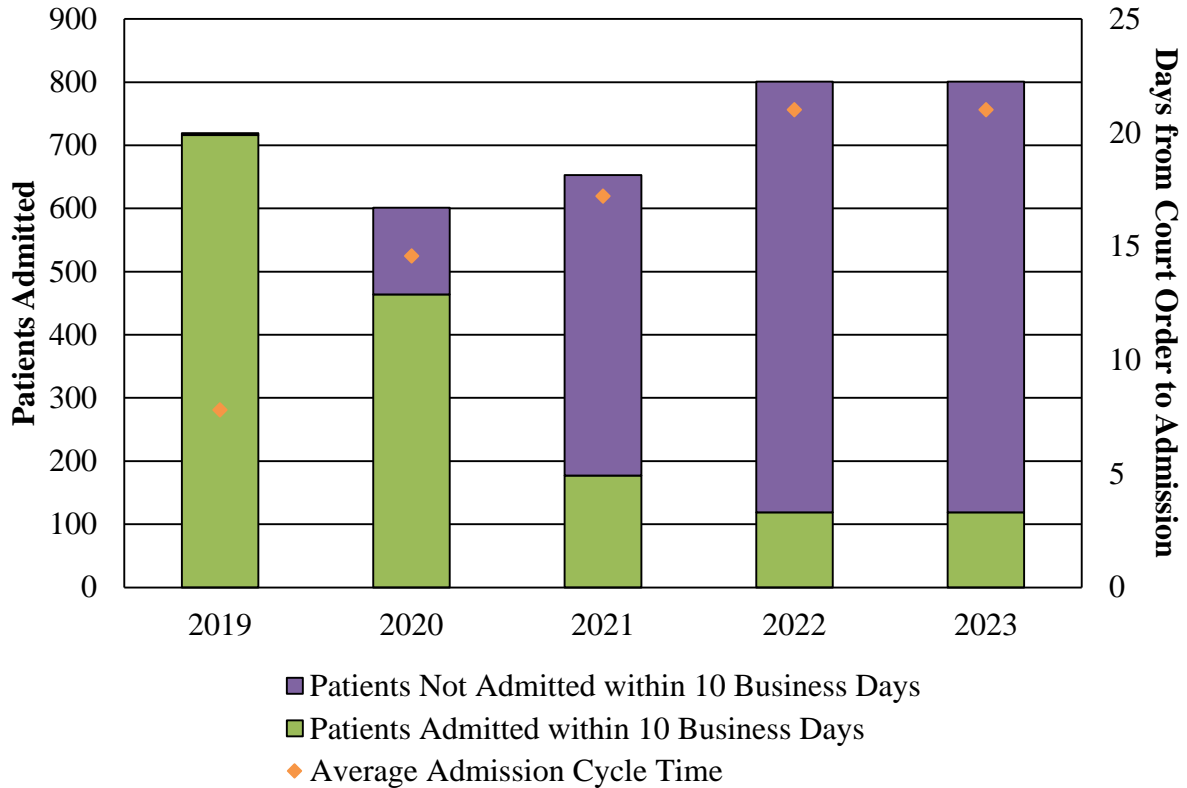
Source: Department of Budget and Management; Maryland Department of Health; Department of Legislative Services

2. Court-ordered Placements and Secure Evaluation and Therapeutic Treatment

The SETT facility, located at the Potomac Center, houses individuals with developmental disabilities who are court ordered to seek treatment. Chapters 188 and 189 of 2018 mandated MDH to admit individuals who are determined incompetent to stand trial (IST) or not criminally responsible (NCR) to the SETT unit within specific timeframes. In most cases, MDH must admit patients within 10 business days. Patients required to seek treatment for substance use disorder (SUD) must be admitted within 21 days.

As seen in **Exhibit 2**, the proportion of patients admitted within 10 days of a court order sharply decreased beginning in fiscal 2021, when MDH admitted just 27.1% of patients within 10 days. Between fiscal 2020 and 2021, the number of patients admitted within 10 business days decreased by 287. Language in the fiscal 2024 Budget Bill required MDH to submit a report on the department’s efforts to improve timeliness of NCR and IST placements. According to the report, submitted in June 2023, MDH reported annual growth in the number of commitment orders from the Maryland Judiciary during the last five years, except for a decrease in orders in calendar 2020 that corresponded with the COVID-19 pandemic. MDH operates the State’s five psychiatric hospital facilities at full capacity, and timely discharge of patients is critical to reducing wait times for incoming patients. The department has experienced difficulties discharging patients who are hard to place with an appropriate community provider. This challenge, coupled with the increase in orders received, has led to increased waiting times and hindered MDH’s ability to admit NCR and IST patients within the statutorily required 10 business days.

**Exhibit 2
Court-ordered Placements
Fiscal 2019-2023**



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

To address lengthy waitlists and support State psychiatric hospital discharges, MDH plans to invest \$3.5 million in fiscal 2024 and \$7.1 million in the out-years to expand the Residential Rehabilitation Program, fund permanent supportive housing, and provide beds in assisted living units. MDH also plans to invest \$54.6 million to support crisis services, including statewide mobile crisis units. Further discussion of these investments is included in the operating budget analysis, M00L – MDH – Behavioral Health Administration (BHA).

Fiscal 2024

Implementation of Legislative Priorities

Oversight Costs for the Maryland Board of Nursing

Section 19 in the fiscal 2024 Budget Bill included \$8 million in general funds for the Office of the Secretary, contingent on enactment of Chapters 222 and 223 of 2023, which transferred management of infrastructure operations of the Maryland Board of Nursing to the Office of the Secretary. MDH has proposed a negative fiscal 2024 deficiency to reduce \$2.7 million for this appropriation. The resulting fiscal 2024 appropriation for this purpose is \$5.3 million, and the function is budgeted at \$4.3 million in fiscal 2025. Further discussion of the transfer of administrative oversight duties is included in the M00B0104 – MDH – Health Professional Boards and Commissions analysis. **MDH should discuss the transition of Board of Nursing oversight responsibilities, including a brief description of the activities involved, the timing of when the transition occurred, the number of staff responsible for oversight, reasons for the underspending in fiscal 2024, and an explanation of the Board of Nursing’s role in operational oversight given the fiscal 2025 allocation of reimbursable funds in the Board of Nursing.**

Proposed Deficiency

The fiscal 2025 budget includes three proposed fiscal 2024 deficiencies in the general fund appropriation of MDH Administration:

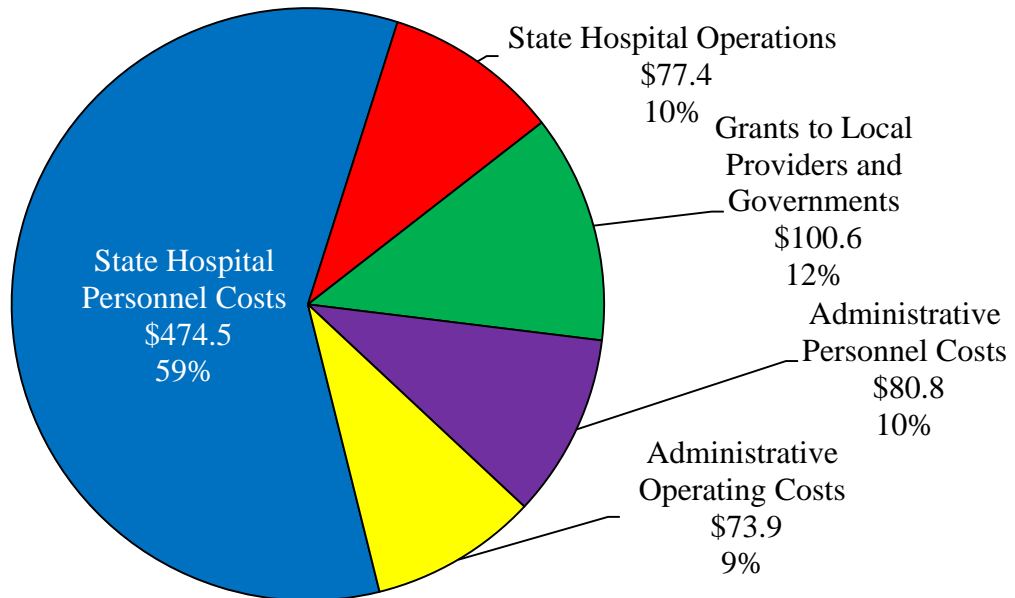
- a reduction of \$2.7 million to align with actual expenditures related to the transfer of Board of Nursing infrastructure operations to the MDH Office of the Secretary, authorized in Chapters 222 and 223 and operationalized in the fiscal 2024 Budget Bill;
- \$920,286 to supplement funding for budgeted turnover at Thomas B. Finan Hospital Center to reflect actual vacancy rates; and
- \$1,730,494 to supplement funding for budgeted turnover at Springfield Hospital Center to reflect actual vacancy rates.

Fiscal 2025 Overview of Agency Spending

The fiscal 2025 allowance for MDH Administration totals \$807.3 million. As shown in **Exhibit 3**, personnel costs for State hospital employees make up the largest portion of the fiscal 2025 allowance, accounting for \$474.5 million. Operational costs at these facilities total \$77.4 million in fiscal 2025, or 10% of the allowance. Staffing and operating costs for administrative functions each comprise about 10% of the allowance and total \$154.7 million. This amount also includes expenses under OIGH. The fiscal 2025 allowance includes \$100.6 million in

grant funding to local jurisdictions and community organizations, comprised mainly of \$81 million in ORF expenditures to be distributed to local jurisdictions and organizations as grants, and \$10 million in block grant funding through OOR. MDH efforts to prevent and respond to opioid overdoses are discussed in Issue 2 of this analysis.

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



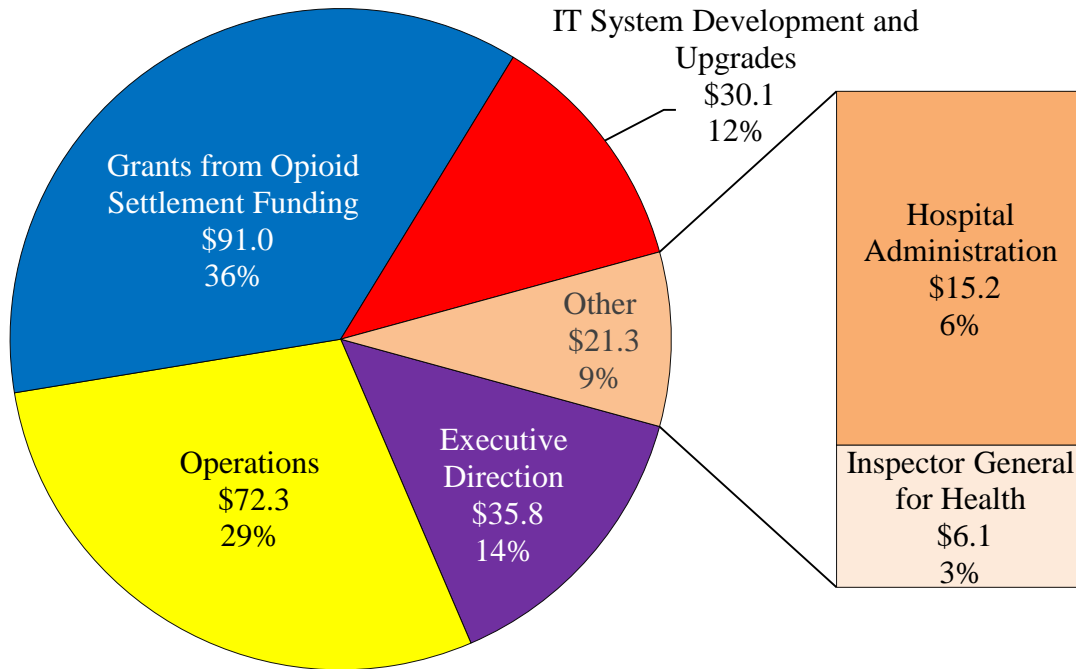
Total Fiscal 2025 Expenditures = \$807.3 Million

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. The fiscal 2025 allowance includes contingent reductions.

Source: Governor’s Fiscal 2025 Budget Books

The administrative units of MDH Administration comprise 32.7%, or \$255.3 million, of the fiscal 2025 allowance and include the Office of the Secretary, hospital administration, major IT projects, and the fiscal management function for MDH. **Exhibit 4** breaks out the total \$255.3 million for administrative units by office and purpose. The largest share of administrative dollars is allocated to OOR grants to local governments and community organizations for opioid abatement efforts. The MDH Administration budget includes major IT projects for the department, which make up 12% of the MDH Administration fiscal 2025 allowance, or \$30.1 million. Detail on specific major IT projects are included in the appendices.

**Exhibit 4
Overview of Administrative
Fiscal 2025 Allowance
(\$ in Millions)**



Total Fiscal 2025 Expenditures = \$255.3 Million

IT: information technology

Note: The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget. The fiscal 2025 allowance includes contingent reductions.

Source: Governor’s Fiscal 2025 Budget Books

Contingent Reductions

The fiscal 2025 budget includes language reducing \$12.4 million in general funds from the Office of the Secretary contingent on the enactment of legislation. Chapters 258 and 259 of 2023 require MDH to reimburse costs for certain service providers for the employer share of the Family and Medical Leave Insurance (FAMLI) contributions. Language in the fiscal 2025 Budget Bill would eliminate this funding contingent on legislation delaying the implementation of the FAMLI program.

Proposed Budget Change

As shown in **Exhibit 5**, compared to the fiscal 2024 working appropriation, the MDH Administration budget increases by \$90.1 million in fiscal 2025 to \$807.3 million. The overall spending growth is driven primarily by increases of \$25.0 million in personnel costs for 423.5 new positions and \$34.2 million for salary and benefits for existing staff. Improvements and updates to IT systems account for \$33.3 million in additional spending and include expenses to recover data from the fiscal 2022 ransomware attack on MDH’s data systems.

Exhibit 5
Proposed Budget
MDH – Administration
(\$ in Thousands)

How Much It Grows:	General	Special	Federal	Nonbudgeted	Reimb.	Total
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
Fiscal 2023 Actual	\$566,467	\$98,363	\$44,276	\$0	\$17,192	\$726,298
Fiscal 2024 Working Appropriation	609,253	73,824	16,260	0	17,860	717,196
Fiscal 2025 Allowance	<u>680,332</u>	<u>89,343</u>	<u>15,022</u>	<u>3,350</u>	<u>19,205</u>	<u>807,252</u>
Fiscal 2024-2025 Amount Change	\$71,079	\$15,519	-\$1,238	\$3,350	\$1,346	\$90,056
Fiscal 2024-2025 Percent Change	11.7%	21.0%	-7.6%		7.5%	12.6%

Where It Goes:

Personnel Expenses

	<u>Change</u>
Salary increases and associated fringe benefits including fiscal 2024 COLA and increments	\$31,553
Personnel costs associated with 427.5 new positions.....	25,049
Personnel funding tied to up to 540 contractual conversions departmentwide that would be allowable through contingent language in the fiscal 2025 Budget Bill	6,842
Reclassifications for new positions hired above base salary.....	1,707
Additional assistance	89
Tuition waiver	42
Turnover adjustments (increase from 9.63% to 9.65%).....	-65
Shift differential	-124
Accrued leave payout	-146
Alignment of actual expenditures for the Board of Nursing infrastructure operations authorized in the fiscal 2024 Budget Bill and required by Chapters 222 and 223 of 2023	-1,000
Miscellaneous personnel adjustments	-1,178
Workers’ compensation.....	-3,331
Overtime expenses	-4,737

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Where It Goes:	<u>Change</u>
IT Systems	
Improvements to public health IT cybersecurity.....	16,403
Ongoing operational costs to recover and restore MDH IT systems.....	13,667
Improvements to administrative IT systems	4,546
Electronic Vital Record System implementation	-1,350
Administrative Changes	
Purdue Pharma Settlement funds to be added to the ORF for opioid prevention and response grants	15,809
Off-site hospitalization and outpatient care expenses in facility budgets	-1,045
Reduction in MDH Capital Fund to account for one-time renovation costs at RICA – JLG and the Thomas B. Finan Center	-4,171
Other Changes	
Cost allocation.....	3,042
Administrative equipment and utilities	1,116
Reduction of 74 contractual full-time equivalent positions, including 5 FTEs that were converted to 4 merit positions as approved by BPW in October 2023	-3,612
Supplies	-4,207
Other changes	-4,812
Total	\$90,056

- BPW: Board of Public Works
- COLA: cost-of-living adjustment
- FTE: full-time equivalent
- IT: information technology
- JLG: John L. Gildner
- MDH: Maryland Department of Health
- ORF: Opioid Restitution Fund
- RICA: Regional Institutes for Children and Adolescents

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. The fiscal 2025 allowance includes contingent reductions.

Personnel Data

	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 24-25</u>
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>
Regular Positions	3,925.80	3,933.30	4,360.80	427.50
Contractual FTEs	<u>351.89</u>	<u>364.72</u>	<u>291.16</u>	<u>-73.56</u>
Total Personnel	4,277.69	4,298.02	4,651.96	353.94

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	378.84	9.65%
Positions and Percentage Vacant as of 12/31/23	392.70	9.98%
Vacancies Above/Below Turnover	12.86	

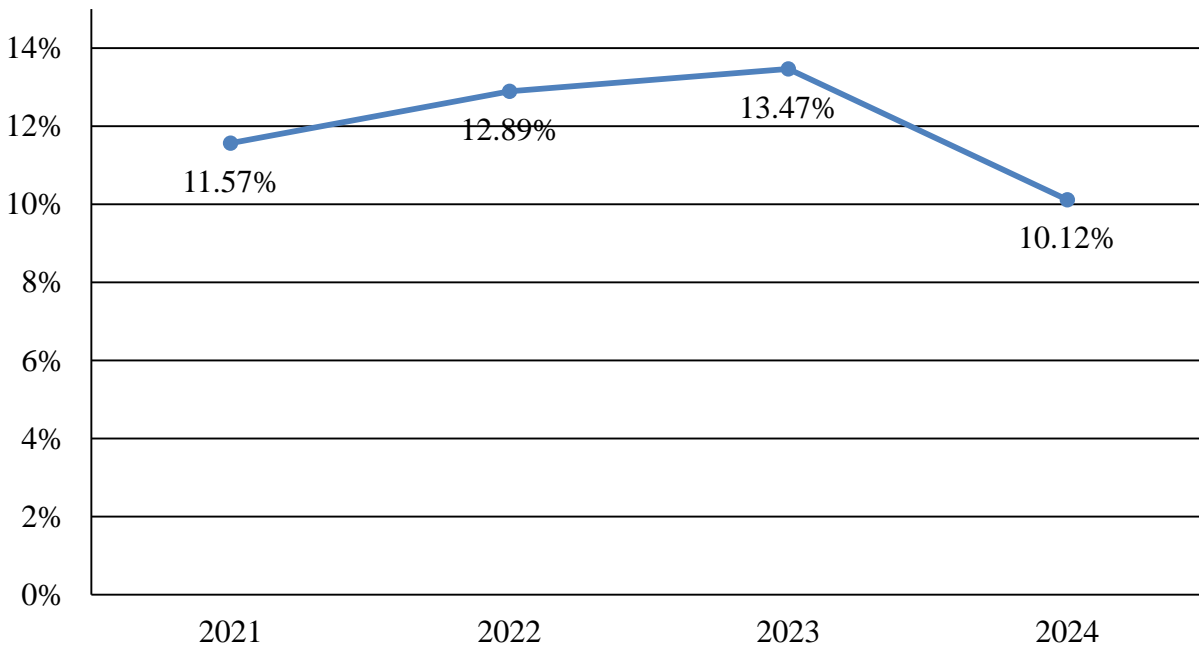
- As of January 2024, MDH Administration had 392.7 vacant positions and a vacancy rate of 9.98%. This represents the lowest January vacancy rate in several years. The highest vacancy rates were at Holly Center (16.8%) and Perkins (16.2%). Issue 1 in this analysis includes further discussion of MDH’s vacancies and efforts to recruit and retain staff.
- The fiscal 2025 allowance includes 427.5 new positions, not taking into account contractual conversions that were authorized by the Board of Public Works (BPW) on January 3, 2024, that are not included in the fiscal 2025 allowance. MDH created 118 regular positions in the MDH Administration budget, but due to reporting timelines, these were not yet reflected in the budget data. The list of MDH Administration regular positions created through contractual conversions approved by BPW in fiscal 2024 are included in **Appendix 1**. There is also contingent language in the fiscal 2025 Budget Bill that authorizes up to 540 contractual conversions to merit positions that are not reflected in the fiscal 2025 allowance. **MDH should provide a breakout of new positions and their function, indicating which were created through contractual conversion in fiscal 2024 through BPW authorizations or will be converted in fiscal 2025.**

Issues

1. Maryland Department of Health Reports Lower Vacancy Rate in Fiscal 2024

MDH Administration personnel include State hospital direct care staff, security, and administrators; operational, fiscal, and administrative staff at the central MDH Office of the Secretary; and staff in OIGH. Following several years of high vacancy rates across the department, this unit of MDH reached a historical low vacancy rate of 9.98% (392.7 vacant positions) as of January 1, 2024. As shown in **Exhibit 6**, the overall vacancy rate is the lowest it has been in the last four years, though it is still elevated at almost 10%.

Exhibit 6
January Vacancy Rate of MDH Administration Offices and Facilities
Fiscal 2021-2024



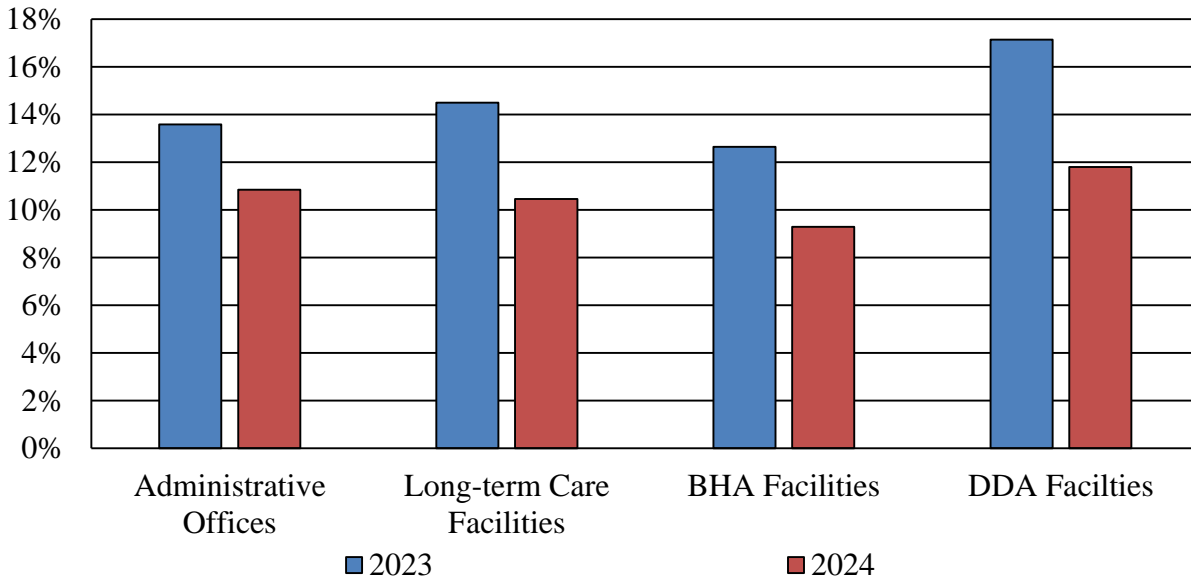
MDH: Maryland Department of Health

Note: Vacancy rates shown as a point-in-time figure as of January 1 in each fiscal year.

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

Exhibit 7 compares the January vacancy rate in fiscal 2023 to the rate in fiscal 2024 across the different offices and facilities included in MDH Administration. As of January 2024, half of the offices carried vacancy rates below budgeted turnover of 9.63%. January 2024 vacancy rates were highest in the Office of Secretary (24.2%), Holly Center (17.8%), and Perkins (15.3%). The lowest vacancy rates were at the Thomas B. Finan Center (2.6%) and Springfield Hospital Center (5%). The Secretary of Health reported in fall 2023 that filling most of the vacant positions in the Office of the Secretary required a greater amount of time than filling other positions in the department, due to the specific experience and skills that MDH was seeking for these roles.

Exhibit 7
January Vacancy Rates by MDH Administration Function
Fiscal 2023-2024



BHA: Behavioral Health Administration
 DDA: Developmental Disabilities Administration
 MDH: Maryland Department of Health

Note: Administrative offices include the Office of the Secretary, Office of the Inspector General for Health, and the administration of the MDH Hospital System. Long-term care facilities include Western Maryland and Deer’s Hospital Centers. BHA facilities include Thomas B. Finan Center, and Eastern Shore, Springfield, and Spring Grove Hospital Centers; the two Regional Institutes for Children and Adolescents (Baltimore and John L. Gildner), and Clifton T. Perkins Hospital Center. DDA facilities include Holly Center, Potomac Center, and the Secure Evaluation and Therapeutic Treatment unit. Vacancy rates shown as a point-in-time figure as of December 1 in each fiscal year.

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

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MDH has focused much of its staffing efforts at State hospital facilities. In September 2023, MDH reported increases in patients with acute needs at its facilities, requiring greater staff to resident ratios and resulting in higher costs of care per person. High vacancy rates among the facilities make it hard for MDH to meet the rising demand for services and historically led to increased overtime expenses. Of the new positions, 114 are security positions at Thomas B. Finan, Eastern Shore, SGHC, Perkins, and Potomac Center, intended to increase MDH’s ability to protect staff and patients amid increased incidences of resident on staff assaults at facilities. The fiscal 2025 allowance also includes 68 new positions for a new unit on the RICA – JLG campus. **MDH should comment on the function of this new unit.**

The fiscal 2025 allowance also includes two proposed deficiencies in fiscal 2024 totaling \$2,650,780 to support turnover adjustments at two facilities. The Thomas B. Finan Center and Springfield Hospital Center both reported January 2024 vacancy rates below the budgeted fiscal 2024 turnover rate of 9.63%. Thomas B. Finan has a vacancy rate of 2.6%, and Springfield Hospital Center has a vacancy rate of 5%.

To better understand MDH’s approach to recruiting and retaining staff, language in the fiscal 2024 Budget Bill restricted \$250,000 in general funds contingent on MDH submitting a staffing and salary study report. As of January 24, 2024, MDH had not yet submitted this report. **Therefore, the Department of Legislative Services (DLS) recommends budget bill language restricting funds pending a staffing and salary study.**

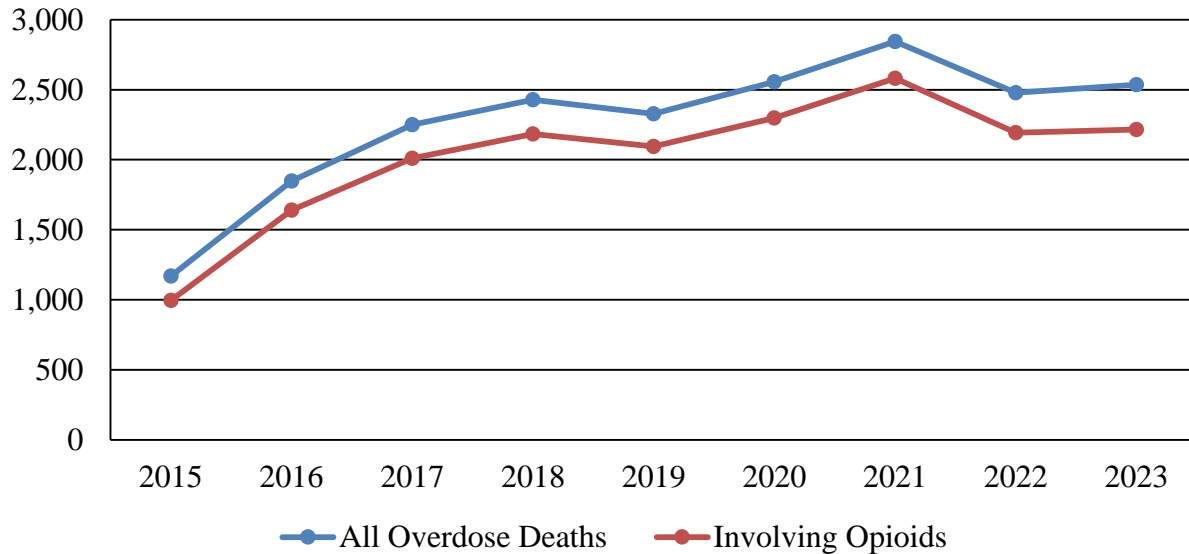
2. As Overdose Deaths Rise, Maryland’s Investment in Response Activities Continues

Over the last several years, Maryland has adopted multiple approaches to addressing SUD and overdoses across the State. Amidst ongoing national litigation against opioid manufacturers and distributors, Chapter 537 of 2019 established the ORF to collect and distribute opioid settlement payments. Maryland also invested State and federal funds in data collection and analytic efforts to monitor and track drug use and overdoses in the State and stood up overdose response teams to coordinate responses to individual overdoses. The Center for Harm Reduction Services within the MDH Prevention and Health Promotion Administration procures and distributes naloxone, a life-saving medication deployed soon after someone overdoses, and local health departments have a variety of programs and initiatives aimed at preventing and responding to overdoses. Beginning in fiscal 2024, BHA launched a suite of new initiatives to address behavioral health challenges in Maryland, including significant investments in the department’s crisis response capacity and specific programming to address SUD.

According to the U.S. Centers for Disease Control and Prevention (CDC), in calendar 2021, 106,699 Americans died of drug overdoses, and 75.4% of those deaths involved opioids. Although national figures have remained relatively steady through calendar 2023, following a spike in calendar 2020 and 2021, overdose deaths in Maryland declined modestly beginning mid-calendar 2021 before increasing slightly since the beginning of calendar 2023. As seen in **Exhibit 8**, the number of overdose deaths in Maryland in August 2023 increased by nearly 3%

compared to August 2022. Overdoses involving opioids comprised 87% of the total overdose deaths in August 2023.

Exhibit 8
Drug Overdose Deaths in Maryland
Calendar 2015-2023



Note: Overdose deaths are represented as point-time-counts in August of each year.

Source: Centers for Disease Control and Prevention; Department of Legislative Services

The MDH Office of the Secretary coordinates the statewide response to monitor and respond to overdoses and SUD, while other units within and outside of MDH, including local governments and community service organizations, provide direct services to individuals using drugs. Local behavioral health authorities and local health departments provide a diverse set of programs to support people with SUD, including prevention, harm reduction, treatment, and wraparound care. MDH provides grant funding to local jurisdictions through multiple channels. The ORF and OOR (previously the OOC) are included in the MDH Administration budget. Funding related to federal Substance Abuse and Mental Health Services Administrations grants is included in the M00L – MDH – Behavioral Health Administration analysis.

Opioid Restitution Fund and the Office of Overdose Response

The ORF was established in 2019 to house revenue from opioid-related litigation awarded to the State of Maryland. Chapter 270 of 2022 established the ORF Advisory Council made up of legislators, representatives from community-based organizations with SUD treatment programs, individuals with lived experience of substance usage, and public health professionals working in harm reduction. The ORF Advisory Council is required to meet regularly to develop and submit a set of recommendations each November to the Governor and Secretary of Health for best use of ORF dollars in accordance with purposes defined in the legislation.

The ORF Advisory Council submitted its first set of recommendations in October 2023, as follows:

- improve infrastructure for opioid initiatives;
- promote youth resiliency;
- increase awareness of the opioid crisis;
- expand harm reduction services;
- promote comprehensive care coordination;
- expand Maryland’s crisis response system;
- expand access to treatment for opioid use disorder; and
- support recovery communities.

BHA has included some of these priorities in its fiscal 2024 and 2025 investments, including the first recommendation to improve infrastructure for opioid misuse programming and the sixth recommendation to expand Maryland’s crisis response system. BHA is investing more than \$50.5 million to strengthen the behavioral health infrastructure for both non-SUD and SUD care. These investments include ongoing funding for the behavioral health care traffic control hub and the expansion of and upgrades to inpatient facilities. In addition, BHA plans to spend \$46.7 million annually on crisis stabilization programs. The M00L – MDH – BHA analysis includes further discussion of the agency’s progress implementing the expansion of the crisis response system and comprehensive care coordination.

On December 14, 2023, Governor Wes Moore renamed the OOC to be OOR to reflect the office’s broader scope. OOR’s responsibilities include:

- coordinating statewide efforts to prevent and respond to overdoses;

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- coordinating interagency collaboration to develop overdose prevention and response policy priorities; and
- awarding grants to local governments for overdose prevention and response programs.

Local governments must establish multidiscipline Overdose Prevention Teams to carry out OOR’s mandate in their respective jurisdictions and report data to the State. OOR issues general funds to local jurisdictions through two different grant programs to support services and programs to prevent and respond to substance misuse. Specific programs differ across jurisdictions based on population need, but most include crisis response teams, educational awareness campaigns, and harm reduction initiatives, including naloxone distribution.

The executive order also established the Maryland Overdose Response Advisory Council, which consists of individuals from multiple State agencies, to identify challenges and opportunities to delivering SUD services, facilitate data sharing among appropriate agencies, and promote equity in provision of services.

The fiscal 2025 allowance includes \$81 million in ORF funding awarded through a settlement with Purdue Pharma. In fiscal 2023, the ORF received \$57,939,854 in revenue through settlements with McKinsey & Company (\$11,050,093) and Janssen (\$46,889,771). The total Janssen award includes an additional \$13,540,108 directly distributed to subdivisions and not deposited in the ORF. In fiscal 2023, ORF expenditures totaled \$26.9 million to support grants. **Exhibit 9** shows funding received and awarded through the ORF in fiscal 2023. Nearly all of the revenue received through the McKinsey & Company litigation is distributed through two different grant funds to local governments and community organizations. Of the \$10 million distributed, \$2 million is dedicated to MDH’s Data-informed Overdose Risk Mitigation (DORM) initiative to strengthen data efforts to track and monitor overdoses across the State. Chapter 211 of 2018 requires MDH to submit an annual report examining overdose data and other factors related to SUD. Through the DORM initiative, MDH collects and examines data from local jurisdictions. Revenue received through the Janssen settlement is distributed to local governments through Targeted Abatement Fund grants and direct payments to governments, which are not processed through ORF. Of the Janssen settlement funds, 15% comprises the State allocation, which can be spent at the discretion of the Secretary of Health, and 15% represents the State Discretionary Abatement Fund, which MDH issues as competitive grants each year.

Exhibit 9
Opioid Restitution Fund Revenue and Expenditures
Fiscal 2023

<u>Settlements</u>	<u>Revenue</u>	<u>Awarded</u>
McKinsey & Company	\$11,050,093	\$10,007,084
Examination and Treatment Act		7,758,159
Access to Recovery Emergency Gap Funds		248,925
Data-informed Overdose Risk Mitigation		2,000,000
Janssen	\$60,429,879	\$16,878,897
State Allocation (15%)	11,258,775	
Targeted Abatement Fund (45%)	24,372,222	16,878,897
Anne Arundel		2,821,198
Baltimore		5,033,006
Frederick		1,018,138
Harford		1,442,761
Howard		1,115,639
Montgomery		2,982,283
Prince George’s		2,465,873
State Discretionary Abatement Fund (15%)	11,258,775	
Direct Payments to Local Subdivisions (25%)	13,540,108	
Opioid Restitution Fund Total	\$57,939,864	\$26,885,982

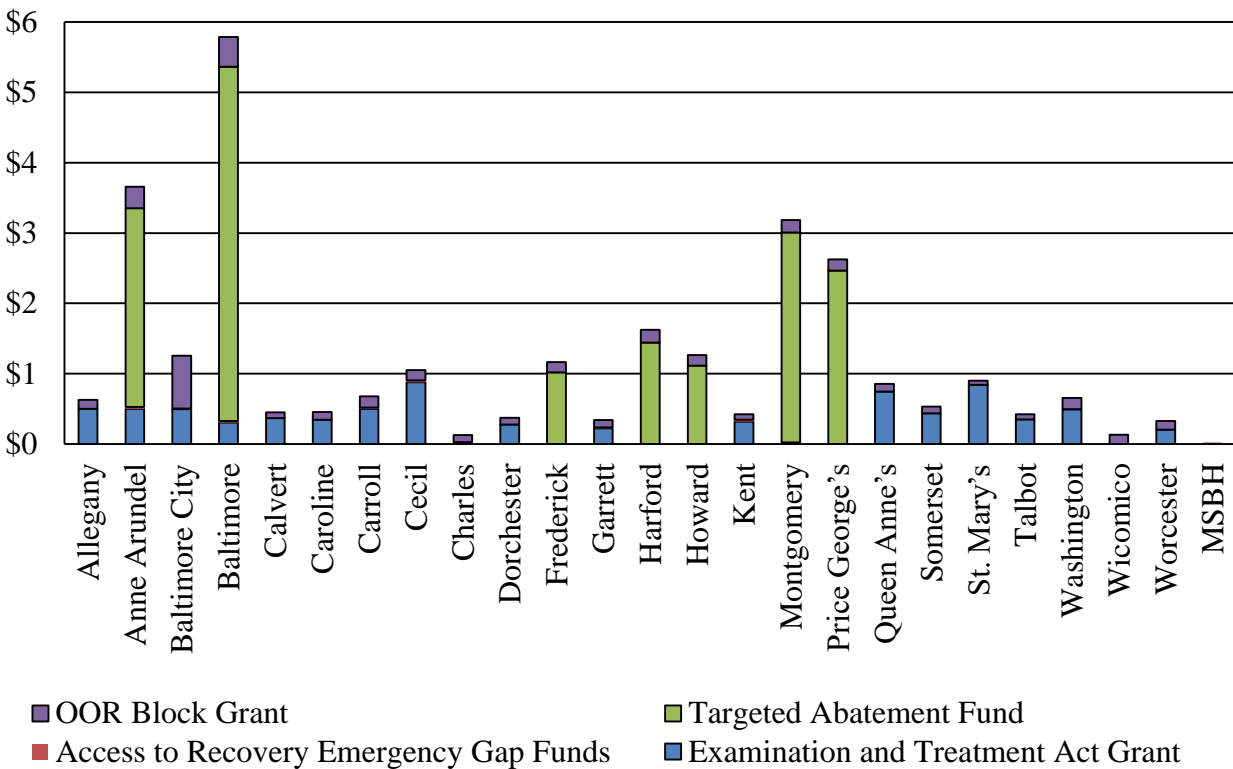
Note: Direct payments to local subdivisions are not issued through the Office of Overdose Response.

Source: Office of Overdose Response

OOR issued \$29 million in fiscal 2023 support for local governments and community organizations, including \$4 million in block grant funding across all jurisdictions and \$7.8 million in Opioid Use Disorder Examination and Treatment Act (Chapter 532 of 2019) grants to local health departments and detention facilities to screen and treat opioid use disorder among incarcerated individuals. OOR also issued \$248,925 in fiscal 2023 Access to Recovery Emergency Gap Funds to 10 local organizations and two local health departments to reimburse emergency expenses related to SUD recovery, including transportation costs and recovery housing.

Exhibit 10 shows the total funding received by jurisdiction. Per the State-Subdivision Agreement in the Janssen settlement, Targeted Abatement Fund grants are awarded to qualifying charter counties (Anne Arundel, Baltimore, Frederick, Harford, Howard, Montgomery, Prince George’s), and to 51 subdivisions in the State dependent on the submission of local abatement plans. Baltimore City is considered an eligible qualifying charter county per the subdivision agreement but is ineligible to receive funding through Maryland’s settlement agreement because Baltimore City is seeking independent litigation against Johnson & Johnson.

Exhibit 10
Office of Overdose Response Grant Allocations by Jurisdiction
Fiscal 2023
(\$ in Millions)



MSBH: Mid Shore Behavioral Health
 OOR: Office of Overdose Response

Note: Mid Shore Behavioral Health is the local behavioral health authority for Caroline, Dorchester, Kent, Queen Anne’s, and Talbot counties.

Source: Office of Overdose Response; Department of Legislative Services

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As overdoses in the State remain high and the landscape of drug usage changes, MDH has employed a variety of methods to reduce deaths and treat individuals with SUD. While it responds to the immediate crisis, MDH should ensure that the tactics that it has employed to date are effective. **DLS recommends adopting committee narrative requesting that MDH submit a report on the department’s current efforts to respond to overdoses and how it measures the impact of each initiative.**

Operating Budget Recommended Actions

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

Further provided that \$500,000 of this appropriation made for the purposes of Executive Direction may not be expended until the Maryland Department of Health (MDH) submits a report to the budget committees on staffing vacancies throughout MDH. The report shall address barriers to attracting and maintaining staff and include data as of the close of fiscal 2023 and 2024 on the following:

- (1) a comparison of compensation at MDH and other comparable administrative positions at the federal and local levels;
- (2) a comparison of compensation of direct care staff to other private and nonprofit health care settings;
- (3) an evaluation of the impact of fiscal 2023 annual salary review adjustments and any other compensation benefits or incentives offered by MDH;
- (4) discussion of recruitment and retention strategies for the MDH workforce;
- (5) the potential long-term impacts of the Facilities Master Plan on MDH staffing alignment; and
- (6) a detailed breakout of new positions and contractual conversions departmentwide and by office in fiscal 2025.

The report shall be submitted by August 15, 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 purposes and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Language in the fiscal 2023 and 2024 Budget Bill restricted funds pending reports on the reasons for vacancies and efforts to recruit and retain MDH employees. As of January 25, 2024, neither report had been submitted. Although the vacancy rate as of January 1, 2024, in MDH Administration had decreased more than 3 percentage points compared to the vacancy rate in January 2023, MDH continues to report large numbers of vacancies in its administrative offices and at State facilities. The committees are concerned about MDH’s ability to continue decreasing its vacancy rate while adding hundreds of new positions across the department in fiscal 2025. This language restricts funds pending a report on barriers to recruitment and retention throughout MDH, including salary comparisons to other similar positions elsewhere in government or in different private or nonprofit care settings.

M00A01 – MDH – Administration

Information Request	Author	Due Date
MDH staffing and salary study	MDH	August 15, 2024

2. Adopt the following narrative:

Overdose Response Efforts: As the opioid crisis evolves and overdoses in Maryland rise, the committees are interested in understanding the range and effectiveness of strategies that the Maryland Department of Health (MDH) is implementing to address the crisis. The committees request that MDH provide a list of departmentwide or interdepartmental initiatives designed to address substance use disorder among Maryland residents. Initiatives should include statewide efforts managed by MDH and be inclusive of preventive, educational, and relevant supportive services and programs. The report should include:

- initiative names and brief descriptions of their function and activities;
- list of deliverables, goals, and outcomes, as applicable of the group or project;
- other agencies or nongovernmental entities involved with the initiative;
- date of establishment and date of termination (if applicable);
- MDH’s plan to continue the effort, including anticipated date to end or reevaluate project outcomes; and
- costs associated with each project from inception through the end of fiscal 2024, including unspent allocated funds.

Information Request	Author	Due Date
Report on overdose response efforts	MDH	October 1, 2024

Appendix 1
2023 Joint Chairmen’s Report Responses from Agency

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

- ***MDH Staffing and Salary Study:*** As of January 24, 2024, MDH had not submitted this report.
- ***Efforts Made to Improve Timeliness of NCR/IST Placements:*** MDH submitted a report detailing investments and strategies that it plans to employ in fiscal 2025 to improve timeliness of placement for court-order patients. MDH is statutorily required to admit patients within 10 business days of commitment order from the Maryland Judiciary and in recent years has faced significant challenges doing so. This is discussed in more detail in the Performance Measures section of this analysis. The spending plan highlighted in this report is discussed in the M00L – MDH – BHA analysis.
- ***Uniform Reporting of Patient and Staff Safety Measures:*** To more accurately analyze staff and patient safety data across multiple years and facilities, MDH developed a uniform method for calculating safety measures at each facility. MDH employed this method with the submission of fiscal 2024 MFR data. This data is discussed in more detail in the Performance Measures section of this analysis.
- ***Report on Ongoing Operational Impacts of the Cybersecurity Incident:*** As of January 24, 2024, MDH had not submitted this report.
- ***ORF Revenues and Expenditures:*** On November 1, 2023, OOC (now OOR) submitted an annual report of fiscal 2023 revenues and expenditures of the ORF. ORF grantees and revenue are discussed in more detail in Issue 2 in this analysis.
- ***Security Attendant Training:*** Due to requirements by Chapter 576 of 2020, MDH modified the training of security attendants staffing MDH Healthcare System facilities with a significant forensic population. The new training is 40 hours over one week and includes courses on ethics, gender responsive strategies, stress management, and trauma-informed care. Between April 2022 and June 2023, MDH trained 223 security attendants. As of June 2023, 96.2% of regular security attendant positions were filled.
- ***Report on Applicants and Capacity at WMHC, DHHC, and Holly Center:*** WMHC and DHHC offer long-term care to serve individuals with acute and chronic care needs, and the Holly Center provides residential and supportive services to individuals with intellectual and developmental disabilities. Between fiscal 2017 and 2022, the average admission rate across all programs at WMHC and DHHC slightly decreased. Both licensed and staffed bed capacity remained relatively consistent during the same period but exceeded the number of physical beds and the number of beds MDH has been able to sufficiently staff. MDH cites these as the primary drivers for not admitting applicants into the long-term care centers.

Appendix 2
Audit Findings
MDH – Office of the Secretary and Other Units

Further discussion of this audit can be found in the M00 – MDH – Overview analysis.

Audit Period for Last Audit:	February 12, 2019 – June 30, 2022
Issue Date:	October 2023
Number of Findings:	17
Number of Repeat Findings:	2
% of Repeat Findings:	11.8%
Rating: (if applicable)	Unsatisfactory

Finding 1: MDH did not have procedures to ensure MDH units properly entered all provider payments into Medicaid Management Information Systems – MMIS II – and resolved any rejected claims to enable timely and complete recovery of the funds.

Finding 2: MDH did not ensure critical quarterly reconciliations were performed, resulting in the failure to recover \$973.3 million of federal funding timely and lost investment income totaling \$6.4 million.

Finding 3: MDH did not have procedures to ensure federal funds requested for reimbursement of State payments were subsequently received.

Finding 4: MDH did not have procedures to ensure all federal fund reimbursements were properly allocated to the appropriate expenditure accounts resulting in a lack of assurance that account balances were accurate and the inability to determine whether all federal funds had been recovered.

Finding 5: MDH used an automated script to record year-end revenue entries without verifying that the amounts recorded were valid and collectable.

Finding 6: MDH used an emergency contract originally procured for COVID-related purposes for unrelated services without sufficient documentation that the services were received and that the related payments were proper. As a result, we could not determine services were received or the propriety of MDH payments totaling \$60.4 million.

Finding 7: MDH did not always comply with State procurement regulations when procuring goods and services via sole source and emergency contracts and did not always publish contract solicitations and awards as required.

Finding 8-12: Redacted cybersecurity-related findings.

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Finding 13: MDH was eight months behind on billing for services rendered at MDH inpatient facilities, which based on MDH assertions could total approximately \$45.4 million at the time of our review.

Finding 14: MDH had not established adequate controls to ensure the propriety of biweekly payroll adjustments, leave balances, and timesheets.

Finding 15: MDH did not have procedures to ensure that employees who were terminated or left State service were promptly removed from the payroll, resulting in improper payments to at least 45 former employees totaling \$151,000.

Finding 16: MDH did not sufficiently control collections, including the untimely endorsement and deposit of collections, a lack of independent verification that collections were deposited, and a failure to require large payments to be submitted electronically.

Finding 17: MDH did not ensure that appropriate corrective actions were implemented to address prior findings from our office’s fiscal compliance audits of the other MDH units.

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

Appendix 3
Statewide Electronic Health Records
 (Formerly Computerized Hospital Record and Information System)
 Major Information Technology Development Project
 MDH - Administration

New/Ongoing: Ongoing								
Start Date: February 2017					Est. Completion Date: March 1, 2028			
Implementation Strategy: Agile								
(\$ in Millions)	Prior Year	2024	2025	2026	2027	2028	Remainder	Total
GF	\$14.991	\$10.670	\$0.423	\$12.602	\$0.000	\$0.000	\$0.000	\$38.687
Total	\$14.991	\$10.670	\$0.423	\$12.602	\$0.000	\$0.000	\$0.000	\$38.687

- Project Summary:** MDH is replacing its legacy patient record system with a new Electronic Health Record (EHR) system for 11 State facilities. The new EHR will house the Mental Health and SUD Registry and Referral System, which MDH is required to develop and manage per Chapter 29 of 2021. This registry will connect with the Health Information Exchange to ease data sharing between the two systems. MDH anticipates the entire project to be completed in fiscal 2028 but EHR implementation to be completed in January 2027.
- Need:** The project is needed to better facilitate sharing of patient data between appropriate public health employees and enable staff to identify available relevant services more easily for their patients. Two State facilities, DHHC and WMHC, also lost support for their EHRs in fiscal 2022 and required upgrading.
- Changes:** The total estimated project cost decreased by nearly \$10 million between the spending plans submitted in the fiscal 2024 and 2025 budget books, due to the availability of \$9.26 million in carryforward funding resulting from less than projected spending in fiscal 2023.

Concerns: MDH and the Department of Information Technology (DoIT) have cited as a high risk of resource availability issues due to burnout, delayed deliverables, and budget overruns. The project was originally estimated to be completed in fiscal 2024. To reduce the risk of delays, the project team plans to work with the Department of General Services to align resource availability with project milestones.

Appendix 4
Integrated Electronic Vital Records Registration System
Major Information Technology Development Project
MDH – Administration

New/Ongoing: Ongoing								
Start Date: December 2019					Est. Completion Date: September 30, 2028			
Implementation Strategy: Agile								
(\$ in Millions)	Prior Year	2024	2025	2026	2027	2028	Remainder	Total
GF	\$16.388	\$0.068	\$1.117	\$3.925	\$4.309	\$0.000	\$0.000	\$25.808
FF	2.110	1.350	0.000	0.000	0.000	0.000	0.000	\$3.460
Total	\$18.498	\$1.418	\$1.117	\$3.925	\$4.309	\$0.000	\$0.000	\$29.268

- Project Summary:** This project will modify the code for the existing California Integrated Vital Records System to Maryland’s specifications and allow it to run on the Maryland Total Human-services Integrated Network – MD THINK – platform. This system will contain modules to allow secure web-based entry of all birth and fetal death records along with the import of marriage and divorce records. The system will also support the search, retrieval, and issuance of certificates based upon these records, including modules to track the acceptance of fees and the use of security paper. This new system will be integrated with the existing Maryland Electronic Death Registration System, previously customized from California’s death registration system.
- Need:** The current electronic birth registration system is cumbersome for users to access, difficult to keep secure, and is not maintainable. It cannot be extended to provide the Motor Vehicle Administration with limited access to issue birth certificates as authorized under statute. The current fetal death system is paper-based and results in long delays for these registrations.
- Observations and Milestones:** Following project delays through fiscal 2022, the project started again in fiscal 2023 with federal funding from CDC.
- Changes:** The project has been further delayed, and MDH projects that the implementation of code in the new system will be completed at the end of fiscal 2027, with project closeout scheduled to be complete September 30, 2028. MDH conducted a financial reconciliation of spending on all of its active major IT projects to date, and in some cases found discrepancies between actual and reported spending. As a result, this project’s general fund costs through fiscal 2023 have been updated to \$16.4 million.

Appendix 5
Migration of the Cloud Data Center
Major Information Technology Development Project
MDH – Administration

New/Ongoing: Ongoing								
Start Date: July 1, 2022					Est. Completion Date: July 30, 2027			
Implementation Strategy: Agile								
(\$ in Millions)	Prior Year	2024	2025	2026	2027	2028	Remainder	Total
GF	\$15.666	\$2.094	\$0.050	\$1.803	\$3.203	\$0.000	\$0.000	\$22.816
Total	\$15.666	\$2.094	\$0.050	\$1.803	\$3.203	\$0.000	\$0.000	\$22.816

- Project Summary:** The project includes a phased migration of all the applications currently in the MDH Headquarters data center to a cloud-based solution. The migration requires preparing and migrating MDH servers, application, and databases located in multiple MDH locations into a commercial private cloud, before selecting, building, and migrating the servers and applications to public cloud environments. In fiscal 2021, the project scope was updated to include an MDH website modernization component.
- Need:** MDH currently maintains a data center, which is challenging because this function is outside of the department’s core competency. In addition, MDH reports that this project and the new environment for data storage will reduce the department’s vulnerability to cybersecurity threats.
- Observations and Milestones:** MDH is using a datacenter called TierPoint Baltimore Data Center (BWI) to host its applications before migrating to a public cloud environment. In fiscal 2024, servers in multiple programs have been consolidated in TierPoint BWI, including Labs Administration, Springfield Hospital Center, BHA, and the Office of Health Care Quality. The Maryland AIDS Drug Assistance Program and eHARS are currently being virtualized and migrated. Also in fiscal 2024, MDH will configure the disaster recover data center to enable quick recovery from outages. For the web modernization portion of the project, MDH has redesigned and deployed more than 600 webpages and improved reporting capabilities.
- Changes:** Spending for this project increased in fiscal 2024 following the realignment of funding to respond to the MDH cybersecurity incident and for IT needs related to the COVID-19 response. The estimated project cost has increased again in fiscal 2025 due to outsourcing of labor to non-MDH staff in order to sustain project progress. MDH also undertook a reconciliation of spending on all of its active major IT projects to date and in some cases, found discrepancies between actual and reported spending. This project’s costs through fiscal 2023 have been updated to \$9.8 million.

Appendix 6
MDH Voiceover Internet Protocol Conversion
Major Information Technology Development Project
MDH – Administration

New/Ongoing: Ongoing								
Start Date: January 17, 2022					Est. Completion Date: September 29, 2027			
Implementation Strategy: Agile								
(\$ in Millions)	Prior Year	2024	2025	2026	2027	2028	Remainder	Total
GF	\$4.347	\$2.545	\$1.958	\$2.774	\$0.651	\$0.651	\$0.000	\$12.926
Total	\$4.347	\$2.545	\$1.958	\$2.774	\$0.651	\$0.651	\$0.000	\$12.926

- **Project Summary:** MDH is updating the 5,500 outdated phones in 18 MDH offices to a hybrid Voice over Internet Protocol (VoIP)-based environment to ensure the telephones at its hospital facilities are up to date and fully operable. This project under MDH will convert phone systems at 11 State hospital facilities, while DoIT will support the conversion at the remaining 7 MDH offices.
- **Need:** Existing telephone systems at MDH hospital facilities are outdated, and MDH cannot reliably repair or manage the hardware the systems use. Larger hospital facilities have resorted to using mobile devices in lieu of faulty telephone systems.
- **Observations and Milestones:** MDH completed the procurement process at the end of calendar 2022. The project team is converting 5 of the 11 State hospital facilities in the project’s scope to VoIP by the end of fiscal 2024. Those facilities include RICA – Baltimore City, RICA – JLG, SGHC, Potomac Center, and DHHC. The remaining six hospital facilities are scheduled to be completed by June 2026. The transition to operations and maintenance is currently scheduled to start in fiscal 2027, and the current budget accounts for one year of operations costs post implementation.
- **Changes:** The project is being delayed after assessments of some hospital facilities revealed that some require underground and above ground cable replacement to fully utilize the VoIP tool. The timelines noted above are accurate.

Appendix 7
Non-Medicaid Case Management Modernization
Major Information Technology Development Project
MDH – Administration

New/Ongoing: Ongoing								
Start Date: July 2021					Est. Completion Date: September 30, 2028			
Implementation Strategy: Agile								
(\$ in Millions)	Prior Year	2024	2025	2026	2027	2028	Remainder	Total
GF	\$0.000	\$1.050	\$1.500	\$10.693	\$2.990	\$0.000	\$0.000	\$16.233
Total	\$0.000	\$1.050	\$1.500	\$10.693	\$2.990	\$0.000	\$0.000	\$16.233

- Project Summary:** MDH is building a customer relationship management (CRM) solution through Salesforce to consolidate multiple case management systems and workflows. The new CRM will enable MDH staff to provide better customer services by sharing data between business units serving the same individuals. This project includes a number of subprojects supporting services across MDH agencies, including Prevention and Health Promotion Administration, BHA, Vital Statistics Administration, and some State hospital facilities.
- Need:** MDH reports inefficiencies in management software for the following programs: Office of Procurement and Support Services Contracts Tracking system; Office of Population Health Improvement – Community Health Worker Certification Program, J1 Visa Tracking, and Maryland Loan Assistance Repayment Program; Shared Service Hospitals – replacement of more than 50 legacy systems for hospital operations; Public Health Services – outbreak reporting system, cancer screening and tracking system, and sickle cell and birth defects; and Office of Controlled Drug Substance Abuse.
- Observations and Milestones:** MDH plans to complete the system architecture and project scope and procure necessary financial and technical resources by June 2024.

Appendix 8
MDH – Administration Contractual Conversions
Authorized by the Board of Public Works
Fiscal 2024

<u>FTE</u>	<u>Position Title</u>	<u>Program</u>	<u>Subprogram</u>
1	Admin Spec II	M00A01.01 Executive Direction – Office of the Secretary	Executive Direction
1	Management Assoc	M00A01.01 Executive Direction – Office of the Secretary	Executive Direction
1	Fiscal Accounts Technician I	M00A01.02 Operations – Office of the Secretary	Reimbursements – Central Office
1	Office Services Clerk	M00A01.02 Operations – Office of the Secretary	Personnel Administration
1	Senior Program Manager III	M00A01.02 Operations – Office of the Secretary	Capital Planning, Budgeting and Engineering
1	Administrator I	M00A01.07 Executive Direction – Deputy Secretary for Hospital Operations	Executive Direction
1	Admin Officer I	M00A01.07 Executive Direction – Deputy Secretary for Operations	Office of Court Ordered Evaluations and Placements

Hospital Facilities

<u>FTE</u>	<u>MDH Unit Code</u>	<u>Facility Name</u>	<u>Subprogram</u>
3	M00I03	Western Maryland	Plant Protection
1	M00I04	Deer’s Head	Procurement Services
1	M00I04	Deer’s Head	Food Admin and Preparation
1	M00L04	Finan Center	Social Services
6	M00L04	Finan Center	Plant Protection
1	M00L04	Finan Center	Psychology
1	M00L05	RICA – Baltimore City	Personnel Services
3	M00L05	RICA – Baltimore City	Residential Units
11	M00L05	RICA – Baltimore City	Plant Protection
3	M00L05	RICA – Baltimore City	Housekeeping Operations
6	M00L07	Eastern Shore	Plant Protection
1	M00L07	Eastern Shore	Patient Care Supervision

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<u>FTE</u>	<u>MDH Unit Code</u>	<u>Facility Name</u>	<u>Subprogram</u>
3	M00L07	Eastern Shore	Housekeeping Operations
1	M00L07	Eastern Shore	Intermediate Acute Care
2	M00L08	Springfield	Acute Care
5	M00L09	Spring Grove	Medical Records
24	M00L09	Spring Grove	Plant Protection
19	M00L09	Spring Grove	Admissions
7	M00L09	Spring Grove	Housekeeping Operations
1	M00L09	Spring Grove	Food Admin and Preparation
4	M00L09	Spring Grove	Central Nursing
5	M00L11	RICA – JLG	Residential Units
1	M00L11	RICA – JLG	Clinical Services
1	M00M07	Potomac Center	Patient Care Units

FTE: full-time equivalent

Source: Maryland Department of Health

**Appendix 9
Object/Fund Difference Report
MDH – Administration**

<u>Object/Fund</u>	<u>FY 23 Actual</u>	<u>FY 24 Working Appropriation</u>	<u>FY 25 Allowance</u>	<u>FY 24 - FY 25 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	3,925.80	3,933.30	4,360.80	427.50	10.9%
02 Contractual	351.89	364.72	291.16	-73.56	-20.2%
Total Positions	4,277.69	4,298.02	4,651.96	353.94	8.2%
Objects					
01 Salaries and Wages	\$ 449,806,031	\$ 475,994,584	\$ 530,366,006	\$ 54,371,422	11.4%
02 Technical and Special Fees	27,592,895	28,451,064	25,006,511	-3,444,553	-12.1%
03 Communication	2,537,136	2,097,136	2,360,690	263,554	12.6%
04 Travel	274,900	475,985	506,216	30,231	6.4%
06 Fuel and Utilities	11,372,513	9,500,955	9,789,639	288,684	3.0%
07 Motor Vehicles	940,655	1,576,656	1,502,470	-74,186	-4.7%
08 Contractual Services	88,195,484	65,477,464	108,306,921	42,829,457	65.4%
09 Supplies and Materials	24,919,234	26,028,974	21,821,825	-4,207,149	-16.2%
10 Equipment – Replacement	2,273,092	1,906,240	2,698,796	792,556	41.6%
11 Equipment – Additional	576,773	768,444	583,298	-185,146	-24.1%
12 Grants, Subsidies, and Contributions	106,859,673	84,814,240	100,622,697	15,808,457	18.6%
13 Fixed Charges	3,571,552	4,058,583	4,123,989	65,406	1.6%
14 Land and Structures	7,378,403	16,177,963	12,006,495	-4,171,468	-25.8%
Total Objects	\$ 726,298,341	\$ 717,328,288	\$ 819,695,553	\$ 102,367,265	14.3%
Funds					
01 General Fund	\$ 566,467,167	\$ 609,291,454	\$ 692,775,295	\$ 83,483,841	13.7%
03 Special Fund	98,362,906	73,823,775	89,343,173	15,519,398	21.0%
05 Federal Fund	44,276,122	16,353,315	15,021,945	-1,331,370	-8.1%
07 Nonbudgeted Fund	0	0	3,349,882	3,349,882	N/A
09 Reimbursable Fund	17,192,146	17,859,744	19,205,258	1,345,514	7.5%
Total Funds	\$ 726,298,341	\$ 717,328,288	\$ 819,695,553	\$ 102,367,265	14.3%

Note: The fiscal 2024 appropriation does not include deficiencies or across-the-board reductions. The fiscal 2025 allowance does not include contingent reductions or cost-of-living adjustments.

**Appendix 10
Fiscal Summary
MDH – Administration**

<u>Program/Unit</u>	<u>FY 23 Actual</u>	<u>FY 24 Wrk Approp</u>	<u>FY 25 Allowance</u>	<u>Change</u>	<u>FY 24 - FY 25 % Change</u>
01 Unknown Title	\$ 4,662,339	\$ 5,486,008	\$ 6,093,277	\$ 607,269	11.1%
01 Executive Direction	131,678,645	116,719,106	144,142,805	27,423,699	23.5%
02 Financial Management Administration	73,440,441	72,856,177	102,335,002	29,478,825	40.5%
07 MDH Hospital System	12,850,659	14,146,234	15,216,314	1,070,080	7.6%
08 Major IT Projects	7,255,156	1,905,408	0	-1,905,408	-100.0%
01 Services and Institutional Operations	24,252,625	26,234,622	27,122,800	888,178	3.4%
01 Services and Institutional Operations	24,365,903	25,431,804	26,520,061	1,088,257	4.3%
01 Services and Institutional Operations	28,089,671	28,400,726	39,875,287	11,474,561	40.4%
01 Services and Institutional Operations	21,538,946	23,536,463	24,358,447	821,984	3.5%
01 Services and Institutional Operations	24,311,141	27,657,121	28,189,688	532,567	1.9%
01 Services and Institutional Operations	95,892,947	97,128,764	105,650,710	8,521,946	8.8%
01 Services and Institutional Operations	115,678,276	115,979,370	124,082,517	8,103,147	7.0%
01 Services and Institutional Operations	87,075,647	87,810,049	94,210,356	6,400,307	7.3%
01 Services and Institutional Operations	20,038,421	19,065,585	25,595,197	6,529,612	34.2%
01 Behavioral Health Administration	1,214,761	790,936	716,238	-74,698	-9.4%
01 Services and Institutional Operations	18,499,953	20,304,965	20,930,430	625,465	3.1%
01 Court Involved Service Delivery	9,186,207	9,935,784	10,111,072	175,288	1.8%
01 Potomac Center	25,503,341	23,045,777	23,848,886	803,109	3.5%
01 Services and Institutional Operations	763,262	893,389	696,466	-196,923	-22.0%
Total Expenditures	\$ 726,298,341	\$ 717,328,288	\$ 819,695,553	\$ 102,367,265	14.3%
General Fund	\$ 566,467,167	\$ 609,291,454	\$ 692,775,295	\$ 83,483,841	13.7%
Special Fund	98,362,906	73,823,775	89,343,173	15,519,398	21.0%
Federal Fund	44,276,122	16,353,315	15,021,945	-1,331,370	-8.1%
Nonbudgeted Fund	0	0	3,349,882	3,349,882	N/A
Total Appropriations	\$ 709,106,195	\$ 699,468,544	\$ 800,490,295	\$ 101,021,751	14.4%
Reimbursable Fund	\$ 17,192,146	\$ 17,859,744	\$ 19,205,258	\$ 1,345,514	7.5%
Total Funds	\$ 726,298,341	\$ 717,328,288	\$ 819,695,553	\$ 102,367,265	14.3%

Note: The fiscal 2024 appropriation does not include deficiencies or across-the-board reductions. The fiscal 2025 allowance does not include contingent reductions or cost-of-living adjustments.