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OFFICE OF THE SECRETARY  
DEPARTMENT OF HEALTH AND MENTAL HYGIENE  
Written Testimony

The Department of Health and Mental Hygiene wishes to thank the Chairman and Committee members for their continued support of the Facilities Capital Grant Program and Capital Construction Programs. The FY 2017 request for the Federally Qualified Health Centers (FQHC) Grant Program is \$2,500,000 for three projects and \$4,758,000 for eight projects as part of the Community Facilities Grant Program. Funding for Capital Construction projects is not being requested for FY 2017.

**Community Health Facilities Grant Program**

The Community Facilities Grant Program provides matching capital grant funds to expand community capacity for individuals with mental illness, substance disorders and/or a developmental disability. The goal is to provide individuals with services in the least restrictive environment and reduce reliance on hospital and institutional levels of care. The highest priority for the Behavior Health Administration (BHA) and the Developmental Disabilities Administration (DDA) continues to be an emphasis on the expansion of affordable supportive housing for these individuals. The FY 2017 request includes six projects that will develop 71 additional units of affordable housing. Further, two projects will fund capital improvements to expand current community capacity, particularly for detoxification services, substance abuse residential treatment, and crisis stabilization services. These services are critical to prevent further deterioration of health and avoidance of more costly levels of care.

**Federally Qualified Health Centers Facilities Grant Program**

The FY 2017 request for Federally Qualified Health Centers (FQHC) includes three projects in three jurisdictions. A FQHC serves patients regardless of ability to pay; therefore the FQHC must rely on grants, donations, and governmental assistance in addition to revenue income from insurers to cover operational costs. However, these sources of revenue do not cover capital costs, leaving the FQHC short of capital funds to expand capacity to serve additional patients. The State's capital grant program provides a source of capital funding that is matched with funds from the FQHC. In FY 2017 there are three projects requesting capital grant funds. These projects will expand capacity for OB/GYN services, behavioral health services, dental, and general somatic health services. With the expanded capacity, over 12,000 additional patients will receive services.

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Responses to Issues

**Issue 1:**

DHMH should comment on the timeline for Phase II, as well as the plans they have for improving residential buildings at both Springfield and Western Maryland Hospital Center

**Response:**

DHMH is in the process of finalizing an agency restructuring plan. Information regarding some aspects of this process is pending and should be received soon. Once all details can be reviewed, DHMH would be in a better position to announce its findings.

**Issue 2:**

As the costs of renovation versus new construction for the Secure Evaluation and Therapeutic Treatment Center (SETT) are similar, DHMH should comment on when it will make a final decision between the two options.

**Response:**

It would seem that a new building(s) designed to meet the specific needs of the SETT program would provide the best occupancy for that program. However, this issue can be better addressed if the response can be delayed until issue 1 is resolved.

**Issue 3:**

DHMH should comment on its plans to remediate parcels two and three at Rosewood for the disposition to MDVA.

**Response:**

To begin in FY 2018 as estimated, \$649,000 would provide for total project design to include the remediation requirements. The remediation plan would then be reviewed to ensure that the remediation and building demolition present no issues if done simultaneously. Project completion is anticipated for FY 2020, which should coincide with MDVA's stated timeline.

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Responses to Recommended Actions

**Recommended Actions:**

1. Approve \$4,758,000 for the Community Health Facilities Grant Program
2. Approve \$2,500,000 for the Federally Qualified Health Centers Grant Program
3. Approve de-authorization of \$214,934 for Patient Safety Improvements
4. Approve de-authorization of \$2,150,000 for the Secure Evaluation and Therapeutic Treatment Center

**Response:** DHMH agrees with all the recommendations

1. DHMH agrees with the \$4,758,000 authorization for the Community Health Facilities Grant Program
2. DHMH agrees with the \$2,500,000 for the Federally Qualified Health Centers Grant Program
3. DHMH agrees with the de-authorization of \$214,934 for Patient Safety Improvements.
4. DHMH agrees with the de-authorization of \$2,150,000 for the Secure Evaluation and Therapeutic Treatment Center.





