



Maryland Department of Health (MDH) Administration
M00A01
Fiscal Year 2024 Operating Budget
Response to Department of Legislative Services Analysis

Senate Budget and Taxation Committee
Health and Human Services Subcommittee
Senator Cory McCray
February 27, 2023

House Appropriations Committee
Health and Social Services Subcommittee
Delegate Kirill Reznik
February 23, 2023

The Department thanks the Governor, the Department of Budget and Management, and the Budget Committees for their support. We thank the Department of Legislative Services for its insightful budget analysis.

MDH should comment on any known reasons for these increases in reported patient-on-staff assaults at SGHC, Thomas B. Finan Hospital Center, and RICA – Baltimore City. (pg. 5)

MDH Response: The Department notes there are several factors that contribute to patient-on-staff assaults at the identified facilities. First, the increase in volume of court ordered admissions - particularly at Spring Grove Hospital Center (SGHC) which is the largest state hospital - brings with it increases in incidents by default, as well as the type of clinical cases we are seeing.

In part, increases in patient-on-staff assaults at RICA-Baltimore are attributable to a small number of patients. In fiscal year 2022, 31% of RICA-Baltimore's admissions were hospital overstay youth and or hard to place youth that had been rejected from all in-state and in some cases all out of state placements they were referred to. This is a significant increase from previous years. Specifically, 9 of the hospital overstay youth were responsible for 53% of the total assaults in fiscal 2022 and 4 hospital overstay youth were responsible for 38% of staff assaults. Ultimately, youth from the hospital overstays list are often highly acute with extensive histories of aggressive and assaultive behaviors. Many of these clients have injured staff in the emergency room and/or psychiatric hospital before being admitted to RICA-Baltimore. These children and adolescents have complex trauma, mental health and behavioral problems.

The Finan Center advised that it made a data entry error and that's why it appears they had an increase. Upon reviewing the raw numbers, they observed a decrease in incidents. MDH will review its MFR data and provide updated calculations.

The Maryland Department of Health Healthcare System has implemented an additional audit mechanism. The MDH Healthcare System CFO will be reviewing MFR data submission to ensure data integrity.

The Department of Legislative Services (DLS) recommends budget bill language restricting funds pending a report on patient and staff safety at MDH facilities. (pg. 7)

MDH Response: The Department concurs.

Therefore, DLS recommends adding budget bill language restricting funds pending a report on the time to placement of court-involved patients and efforts to improve placement times. (pg. 7)

MDH Response: The Department concurs. As of February 21, 2023, we have now submitted this report (**attached**) and look forward to further conversations on this topic with the committees.

MDH should comment on the reason for the increase in cost per patient at the SETT in fiscal 2022. (pg. 8)

MDH Response: The calculation for annual cost per client is Total Annual Budget divided by Annual Average Daily Population (ADP) (as described in the MFR). The overall budget increased in FY21-22 (from \$7,350,578 to \$7,726,285) for the SETT due to various COLA and state employee incentives, and creating the increase in cost per patient. Of this increase, employee salaries increased \$487,896 between FY21 to FY 22. There was a decrease in the ADP from 25 (FY21) to 21 (FY22).

As a result, DLS recommends adding language restricting funds pending submission of this information [about staffing comparisons at MDH versus other entities] in fiscal 2024. (pg. 15)

MDH Response: The Department concurs. This analysis is critical to support Departmental efforts to reduce staff vacancies, particularly for positions that face high vacancy rates and frequent staff turnover. However, the Department respectfully requests a due date change from August 1 to December 15, 2023. This would allow for the Department to evaluate the impact of the annual salary review(s) during the first quarter of FY2024.

To align the rate increases with the change in the minimum wage, DLS recommends reducing both the general and federal fund components of the provider reimbursement funds by 25% to align with the October 1, 2023 effective date of the increased minimum wage. (pg. 18)

MDH Response: The Department already is in discussion with the Department of Budget and Management to update the Allowance so that it reflects the new start date of October 1, 2023 for the fast-tracked provider rate increases.

The fiscal 2024 MDH allowance includes \$29.6 million from the ORF. It is not clear if additional fund balance remains in the fund. MDH should update the committees on the remaining balance in the ORF. DLS recommends adopting committee narrative requesting a report on past, present, and anticipated future payments into the ORF and how payments have been distributed to local and State government agencies since the ORF was established.
(pg. 19)

MDH Response: The Department concurs on the report request.

MDH has received \$46,889,761.23 to the ORF for years 1 & 2 , the balance of which is being included in an FY24 supplemental appropriation. Please see below for the requested information concerning past, present, and anticipated future payments into the ORF and how payments have been distributed to date.

The FY24 Allowance of \$29.6 M from the ORF represents the 45% of annual payments from the Janssen and Distributors settlement for Years 1 and 2, per the Office of the Attorney General (OAG). The Opioid Operational Command Center (OCC) expects unexpended funds in FY23 to be included in this FY24 appropriation.

The allowance of \$29.6M will allow spending of the Targeted Abatement Funds, the formula allocation from the ORF to local Counties and subdivisions.

- FY23 allowance of \$24.3 million, representative of Targeted Abatement Funds
- FY24 allowance of \$29.6 million, representative of Targeted Abatement Funds
- Actual funds received from Distributors and Janssen settlement \$46.8 million.

The OCC is finalizing granting and distribution procedures pursuant to the State Finance and Procurement Article 7-331 and the State-Subdivision Agreement for the Targeted Abatement Funds, State Discretionary Abatement Funds, and State Allocation.

Please see below for a listing of currently awarded funds from the ORF.

The first ORF appropriation for \$12,000,000 was made on July 1, 2021. This represents the expected total distribution from McKinsey & Company, the total settlement of which is \$12,084,129. Of this, \$10,016,057 was received in July 2021, and a second distribution of \$517,018 was received in July 2022. The OCC expects the remaining settlement amount (\$1,551,054) to be distributed in equal payments of \$517,018 in the coming three fiscal years.

To date, the OCC has supported three grant programs using funds received from the settlement with McKinsey & Company. These grant programs will utilize settlement funds in fiscal years 2023 and 2024.

1. On July 1, 2022, the OCC announced \$7.7 million in grant awards through our new Examination and Treatment Act Grant Program (ETAGP). This program is designed to support local jurisdictions in implementing the requirements of the Opioid Use Disorder Examination and Treatment Act of 2019, which requires all local detention centers to implement programs to screen incarcerated individuals for opioid use disorder, offer peer recovery specialist services, counseling services to develop re-entry plans for individuals

upon release, and offer all three FDA-approved formulations of medications for opioid use disorder, such as methadone or buprenorphine, in their facilities. The grant program will run through fiscal year 2024, and the awards will support projects in 17 local detention facilities.

2. On November 11, 2022, the OOCC announced the awards for the Access to Recovery Emergency Gap Funds Grant Program. Through this program, the OOCC will distribute \$248,925 in funds that can be used to cover emergency expenses, such as transportation to treatment and recovery services and stays in recovery housing. Organizations that work with individuals in recovery, such as recovery-focused community organizations, recovery residences certified by MDH, local health departments, and local behavioral health authorities will be eligible to receive funding through this program.
3. The OOCC is currently working to support the Data-Informed Opioid Risk Mitigation (DORM) initiative in FY23. The estimated cost to support DORM through the next two years is \$2 million. The OOCC chose to support this initiative to promote the evaluation of data supporting evidence-based decisions for future ORF spending.

ATTACHMENT



DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

February 21, 2023

The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
3 West Miller Senate Office Bldg.
Annapolis, MD 21401-1991

The Honorable Ben Barnes
Chair, House Appropriations Committee
121 Taylor House Office Bldg.
Annapolis, MD 21401-1991

RE: FY2022 Joint Chairmen's Report (p. 91) – Court-Involved Placements - Efforts Made to Improve Timeliness of NCR/IST Placements

Dear Chairmen Guzzone and Barnes:

In keeping with the requirements of the 2022 Joint Chairmen's Report (page 91), the Maryland Department of Health (MDH) respectfully submits its report on the current status of the time for placement of court-involved patients and the efforts to improve the timeliness of placement aligned with statutorily required timeframes.

If you have any questions about this report, please contact Megan Peters, Acting Director, Office of Governmental Affairs, at megan.peters@maryland.gov.

Sincerely,

Laura Herrera Scott, MD, MPH
Secretary

Enclosure

cc: Bryan Mroz, Acting Deputy Secretary of Operations
Megan Peters, Acting Director, Office of Governmental Affairs
Sarah Albert, Department of Legislative Services (5 copies)

Introduction

The Maryland Department of Health (“MDH”) respectfully submits this report for Page 91 of the 2022 Joint Chairmen's report on the current status of the time for placement of court-involved patients and the efforts to improve the timeliness of placement aligned with statutorily required timeframes.

In July 2021, MDH Healthcare System was formed within the MDH’s Operations Administration to oversee all eleven of the Department’s facilities, which include five adult psychiatric facilities, two long-term chronic care facilities, two facilities for individuals with developmental disabilities, and two regional institutes for children and adolescents. Within the MDH Healthcare System, the Office of Court Ordered Evaluations and Placements (“OCEP”) has centralized the admissions process for patient placement in the MDH psychiatric facilities. Over time, the patient care model and the patient population the MDH Healthcare System serves has evolved. Often, patients require more complexity in their care due to the severity and diversity of diagnoses, criminal offenses, and the services needed to deliver high quality care. Over the past five years, since the creation of OCEP and the centralization of admissions, there has been substantial progress to improve the timeliness of placement for court-involved patients.

The COVID-19 pandemic significantly impacted MDH’s ability to meet the statutory requirement of admission within 10 business days of the commitment order (Criminal Procedure Article §3–106). As a direct result of the COVID-19 pandemic, the following actions were necessary for response and mitigation efforts in MDH adult psychiatric hospitals:

- MDH Facilities stopped admissions from March 13, 2020 – May 11, 2020;
- Periodically, throughout the pandemic, COVID-19 outbreaks prevented patient admissions and transfers; and
- Community providers that accept discharges from MDH facilities experienced COVID-19 outbreaks which prevented patient admissions and have lost health care staff resulting in a reduction of the number of available beds.
- COVID-19 had a significant impact on staffing and has resulted in a nationwide clinical staffing shortage, which has impacted MDH facilities and community providers.

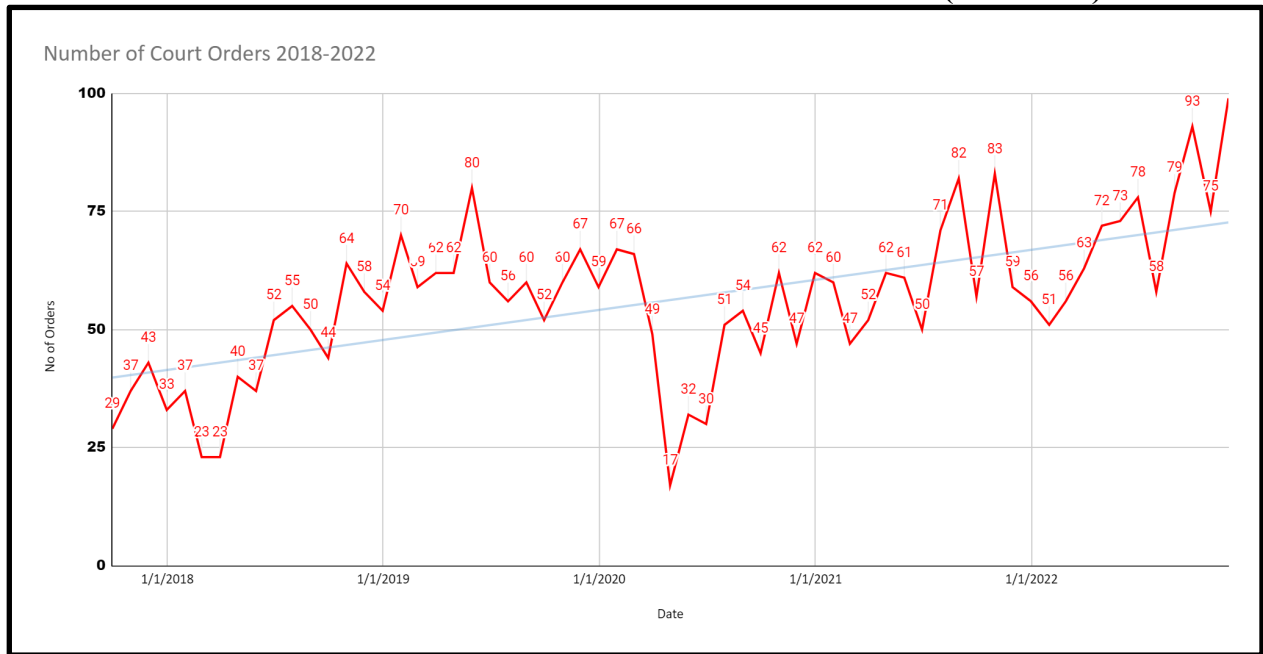
Current Status

As of February 17, 2023, there are 134 individuals on the court-ordered hospital waitlist. The MDH Healthcare system is a 1,056 bed system which operates at capacity. Approximately 99% of the patients admitted to the MDH Healthcare System facilities are court-involved/ordered. MDH is currently receiving more commitment orders from the courts than it has in prior years.

Table 1. Total Court-Ordered Admissions by Calendar Year

	2018	2019	2020	2021	2022
No. Orders	537	747	582	740	865

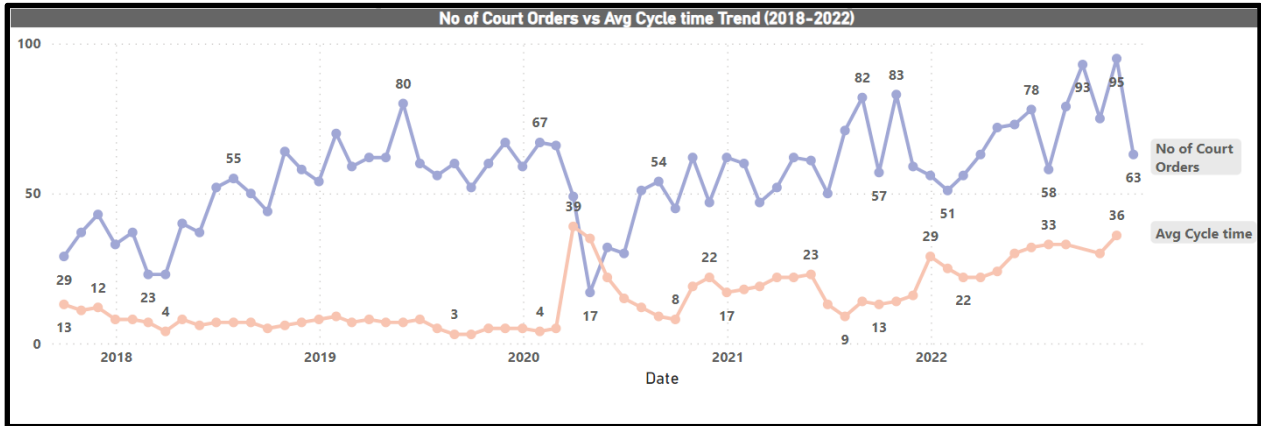
Table 2. Number of Court Ordered Admissions Received (2018-2022)



Despite the increase in orders and the continuing challenges related to the COVID-19 Pandemic, the MDH Healthcare System is working diligently to admit and discharge patients as quickly and safely as possible. Because of the backlog of cases in the court system from the COVID-19 pandemic and the significant increase in court-ordered cases, there is currently an approximately 30 day admission cycle time.

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Table 3. Number of Court Orders vs. Business Days Trend (Monthly) – September 2017 - September 2022



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Table 3 above shows an increase in average cycle time (shown above as “business days”) to admit court-involved patients to a facility. Furthermore, Table 3 above shows the commitment orders received for court-involved individuals. According to Table 3, August 2021 and October 2021 were the two highest numbers of commitment orders received in 2021. In 2022, the commitment order continues to increase with an average of 67 commitment orders per month. In November 2022, the OCEP received an all-time-high of court orders with 95 orders in one month.

Discharge efforts are key to clearing the backlog and reducing the waitlist. As of the end of February 17, 2023, there are 161 patients currently in the MDH Healthcare System psychiatric hospitals who are deemed clinically ready but are difficult to place (Table 4). Below are examples of necessary services needed for a safe discharge for patients who are difficult to place:

- Undocumented individuals
- Individuals who require intensive residential rehabilitation programs or 24/7 care
- Individuals who require integrated treatment for co-occurring disorders
- Individuals who require nursing homes or assisted living programs
- Individuals with intellectual and/or developmental disabilities
- Special Programs (Transitional Age Youth between 18-24 years old, Hearing impaired and deaf individuals, and Older Adults)

Table 4: MDH Healthcare System Patients Clinically Ready to Discharge but Difficult to Place

Clinically Ready to Discharge but Difficult to Place*	
Undocumented	7
Intensive RRP	56
24/7 Care	15
Special Programs	8
Nursing Home	11
Assisted Living Facility	29
Home	5
Capitation	14
TBI	1
DDA	15

**Note: Data current as of February 17, 2023.*

Initiatives to Improve Timeliness of NCR/IST Placements

The MDH Healthcare System has implemented several initiatives to address the waitlist for admission to the psychiatric hospitals. MDH Healthcare System has expanded the bed capacity from approximately 900 in 2017 to 1,056 staffed beds currently, including the reopening and addition of assisted living units. MDH is also exploring options to further increase capacity within our facilities.

MDH has also taken several steps to improve timeliness and appropriateness of placements. Throughput remains the key factor in being able to admit patients in a timely manner. Community providers that accept MDH Healthcare System patients have also been significantly affected by the COVID-19 pandemic and associated healthcare staffing shortages.

The following is a list of additional initiatives implemented since April of 2021 to improve the cycle time for patients to be admitted to the state psychiatric facilities:

- Opening of one 19-bed new unit at Springfield Hospital Center and one 20-bed unit at Spring Grove Hospital Center for a total of 39 additional beds.
- Opening four additional beds at the Eastern Shore Hospital Center.
- Identify additional beds in the community and address barriers to discharge to those beds via several initiatives including:

- Providing emergency staffing support to residential rehabilitation providers
- Recruiting additional staff to coordinate and manage placement of MDH patients ready for discharge
- Dedication of additional funding to place individuals in assisted living programs in the community
- Open additional intensive level and 24/7-staffed beds in the community
- Expand programs to fund permanent housing placements for individuals discharged from the state hospitals
- Retain legal services to facilitate discharges for undocumented patients

MDH is dedicated to ensuring that individuals who are committed to our care are admitted to our hospitals timely and safely. As the efforts above show, this is a top priority for MDH and we look forward to updating the legislature on the outcomes of the initiatives detailed in this JCR.

For additional information, please see the attached set of slides (January 24, 2023), presented to the Judiciary.







Clinically Ready to Discharge

As of 01.19.2023

