



## Senate Bill 104

### *Health Officers and Baltimore City Commissioner of Health – Authority to Retain Collections and Waive Charges*

MACo Position: **SUPPORT**

To: Senate Finance Committee

Date: January 15, 2014

From: Natasha Mehu

The Maryland Association of Counties (MACo) **SUPPORTS** Senate Bill 104. This bill would authorize county health departments to retain fee collections beyond the end of a fiscal year. Additionally, the bill authorizes the county health departments to waive the charges for services provided under their jurisdiction if to do so would be in the best interest of public health.

SB 104 seeks to protect a fee retention process commonplace across many local jurisdictions. While many collections at year's end revert back to the State General Fund, some jurisdictions' local ordinances and routine fiscal practices allow the local health department to retain these fees to ensure flexibility in service delivery and avoid a "use it or lose it" incentive. However, as State statute does not explicitly establish this authority, this important practice is at risk.

Following sharp reductions in State funding, county health departments are increasingly dependent on revenue generated from fee-for-service collections to support their operational costs. In some jurisdictions, the retained fees provide important support to maintaining funding to cover the cost of providing services to the public. SB 104 would safeguard the current practice of retaining fees and would allow other jurisdictions that do not retain fees the flexibility to keep their procedures in place. This flexibility, along with the authorization to waive charges in the best interest of public health, allows the county health departments the ability to best manage their operations and serve their residents.

MACo joins with its affiliate, the Maryland Association of County Health Officers (MACHO), in support of this bill's local flexibility. Accordingly, MACo urges the committee to issue a **FAVORABLE** report on SB 104.