



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene

201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – Joshua M. Sharfstein, M.D., Secretary

JAN 07 2013

The Honorable Edward J. Kasemeyer, Chair
Senate Budget and Taxation Committee
3 West Miller Senate Building
Annapolis, MD 21401-1901

The Honorable Norman H. Conway, Chair
House Appropriations Committee
Room 121, House Office Building
Annapolis, MD 21401-1912

Re: 2012 Joint Chairmen's Report (p. 61 – M00L.01.01) – Mental Hygiene Administration - Program
Direction – Various Information on the Redevelopment of Spring Grove Hospital Center

Dear Chairmen Kasemeyer and Conway:

Pursuant to the 2012 Joint Chairmen's Report (p. 61), the Department of Health and Mental Hygiene (DHMH) respectfully submits this report regarding the redevelopment of the Spring Grove campus. The budget committees requested that DHMH report on the following information by January 1, 2013:

1. A facility program document for the replacement of the existing inpatient capacity at Spring Grove Hospital Center, including anticipated facility size and location;
2. In consultation with the Department of General Services, the development of a public-private partnership request for information document for the redevelopment of the Spring Grove Hospital Center including, if determined appropriate by a facility program document, the financing of new State-operated inpatient psychiatric capacity;
3. A plan to facilitate the utilization of the property identified as Plot K in the December 2011 Spring Grove Hospital Center Redevelopment Plan developed by the Maryland Economic Development Corporation and DHMH for recreational space through the Baltimore County Recreation and Parks program; and
4. Detail on how the Mental Hygiene Community-Based Services Fund can be utilized to accelerate the development of community capacity in order to reduce demand for State-operated inpatient psychiatric capacity.

Please be advised that \$100,000 in General Funds is restricted pending the submission and review of this report.

Based on previous studies commissioned by DHMH regarding future bed need capacity in the State, it was determined that there is not a present need for a new inpatient psychiatric facility on the Spring Grove campus. This was communicated to the Maryland General Assembly in a report submitted in September 2012. DHMH did indicate in the September report that there is the ability to use existing buildings on the campus to increase capacity if needed and committed to reporting further on our efforts to consolidate the campus.

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Consolidation of the Spring Grove Campus

As requested by the General Assembly, Plot K of the Spring Grove Campus, currently occupied by a vacant building (Hamilton) and a parking lot with trailers used to house homeless individuals by Baltimore County, has been sent to the Department of State Planning Clearinghouse for review.

Interested parties have now been notified of this action. If any parties come forward with interest in purchasing the property, the Clearinghouse would make a recommendation that the property be considered surplus and be sold. If this recommendation is accepted by the Board of Public Works, the Department of General Services would enter into negotiations with the interested party for the sale of the property.

Community-Based Services Fund

The Mental Hygiene Administration (MHA) is working with the Core Service Agencies, state facility leadership and community stakeholders on a plan to decrease admissions to state hospitals, decrease the length of stay for hospitalized patients and increase the community resources to facilitate the community placement for persons being discharged from state hospitals. The money from the Community-Based Services Fund will be used to support the plan.

Costs of Consolidation

DHMH has also reviewed options for consolidating the Spring Grove campus by relocating patients from the Red Brick Cottages to other buildings on the campus. In order to move the current residents from the cottages, improvements will have to be made to existing buildings on the campus. There are a total of four buildings that will have to be renovated.

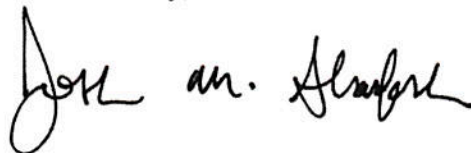
The cost to renovate each building is estimated to be \$1.4 – 1.7 million, depending on the length of time and construction costs, plus \$371,000 for design. For all four buildings, the total would be \$5.6 – 6.8 million.

There are also costs associated with moving MHA employees out of their current offices on the Spring Grove campus to a different office complex. The cost is estimated to be \$482,000 - \$650,000. These costs are annualized and include rent and other expenses and would coincide with the start of the renovations.

A decision has not been made to move forward with the consolidation of the campus.

I hope this information is useful. I respectfully request that the restricted funding be released. If you have any questions regarding this report, please contact Patrick Dooley, Chief of Staff, at (410) 767-0907.

Sincerely,



Joshua M. Sharfstein, M.D.
Secretary

cc: Gayle Jordan-Randolph
Brian Hepburn
Patrick Dooley
Simon Powell
Marie Grant