

SENATE BILL 599

J1, O3

4lr1533
CF HB 509

By: **Senator Kramer**

Introduced and read first time: January 26, 2024

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Developmental Disabilities – Community Providers – Federal Participation for**
3 **Local Funds**

4 FOR the purpose of requiring the Maryland Department of Health to develop a process to
5 receive federal financial participation for the payment of county or municipal general
6 funds appropriated to community providers that serve individuals with
7 developmental disabilities; requiring the Department to allocate the federal financial
8 participation to the community providers to which the county or municipality
9 general funds were appropriated; and generally relating to funding for community
10 providers serving individuals with developmental disabilities.

11 BY repealing and reenacting, with amendments,
12 Article – Health – General
13 Section 7–307
14 Annotated Code of Maryland
15 (2023 Replacement Volume)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
17 That the Laws of Maryland read as follows:

18 **Article – Health – General**
19 7–307.

20 (a) (1) In this section the following words have the meanings indicated.

21 (2) “Community direct service worker” means an employee of a community
22 provider that provides treatment or services to developmentally disabled individuals.

23 (3) “Community provider” means a community–based agency or program
24 funded by the Administration to serve individuals with developmental disabilities.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (4) "Rate" means the reimbursement rate paid by the Department to a
2 community provider from the State General Fund, Maryland Medical Assistance Program
3 funds, other State or federal funds, or a combination of funds.

4 (b) Notwithstanding the provisions of this title or any other provision of law, the
5 Department shall reimburse community providers as provided in this section.

6 (c) Subject to subsection (d) of this section, the Department shall increase the rate
7 of reimbursement for community service providers each fiscal year by the amount of rate
8 increase included in the State budget for that fiscal year.

9 (d) (1) The Governor's proposed budget for fiscal year 2019 shall include a
10 3.5% rate increase for community service providers over the funding provided in the
11 legislative appropriation for Object 08 Contractual Services in Program M00M01.02
12 Community Services for fiscal year 2018.

13 (2) The Governor's proposed budget for fiscal year 2021 shall include a 4%
14 rate increase for community service providers over the funding provided in the legislative
15 appropriation for Object 08 Contractual Services in Program M00M01.02 Community
16 Services for fiscal year 2020.

17 (3) The Governor's proposed budget for fiscal year 2022 shall include a 4%
18 rate increase for community service providers over the funding provided in the legislative
19 appropriation for Object 08 Contractual Services in Program M00M01.02 Community
20 Services for fiscal year 2021.

21 (4) The Governor's proposed budget for fiscal year 2023 shall include a 4%
22 rate increase for community service providers over the funding provided in the legislative
23 appropriation for Object 08 Contractual Services in Program M00M01.02 Community
24 Services for fiscal year 2022.

25 (5) The Governor's proposed budget for fiscal year 2024 shall include a 4%
26 rate increase for community service providers over the funding provided in the legislative
27 appropriation for Object 08 Contractual Services in Program M00M01.02 Community
28 Services for fiscal year 2023.

29 (e) The Governor's proposed budget for fiscal year 2016 and thereafter for
30 community service providers shall be presented in the same manner, including object and
31 program information, as provided for in the fiscal year 2015 budget.

32 (f) A portion of the funds in subsection (e) of this section may be allocated to
33 address the impact of an increase in the State minimum wage on wages and benefits of
34 direct support workers employed by community providers licensed by the Developmental
35 Disabilities Administration.

1 **(G) (1) THE DEPARTMENT SHALL DEVELOP A PROCESS TO RECEIVE**
2 **FEDERAL FINANCIAL PARTICIPATION FOR THE PAYMENT OF COUNTY OR MUNICIPAL**
3 **GENERAL FUNDS APPROPRIATED TO COMMUNITY PROVIDERS BY:**

4 **(I) ESTABLISHING OR MODIFYING DEPARTMENT RESOURCES,**
5 **RATES, PRACTICES, OR SOFTWARE SYSTEMS; AND**

6 **(II) COORDINATING WITH THE FEDERAL CENTERS FOR**
7 **MEDICARE AND MEDICAID SERVICES.**

8 **(2) THE DEPARTMENT SHALL ALLOCATE THE FEDERAL FINANCIAL**
9 **PARTICIPATION RECEIVED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE**
10 **COMMUNITY PROVIDERS TO WHICH THE COUNTY OR MUNICIPALITY GENERAL**
11 **FUNDS WERE APPROPRIATED.**

12 **(3) ON OR BEFORE DECEMBER 1, 2024, AND EVERY 6 MONTHS**
13 **THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GENERAL**
14 **ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE,**
15 **THAT DESCRIBES:**

16 **(I) ACTIONS TAKEN BY THE DEPARTMENT TO SATISFY THE**
17 **REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION;**

18 **(II) THE TIME, DEADLINES, AND RESOURCES REQUIRED FOR**
19 **THE DEPARTMENT TO SATISFY THE REQUIREMENTS OF PARAGRAPH (1) OF THIS**
20 **SUBSECTION; AND**

21 **(III) PROGRESS MADE BY THE DEPARTMENT TO SATISFY THE**
22 **REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION.**

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
24 1, 2024.