



Report of the
Health and Human
Services Subcommittee

To the Senate Budget and Taxation Committee

2024 SESSION

Recommendations, Reductions, and Summary of
Action Pertaining to:
Senate Bill 360

General Assembly of Maryland
Senate Budget and Taxation Committee
Health and Human Services Subcommittee

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Contents

	<u>Budget Code</u>	<u>Page</u>
Recommended Reductions.....		vii
 Executive and Administrative Control		
Office of the Deaf and Hard of Hearing.....	D11A04	1
Department of Disabilities	D12A02	2
Boards, Commissions, and Offices	D15A05	4
Secretary of State	D16A06	5
Department of Aging.....	D26A07	6
Maryland Commission on Civil Rights	D27L00	8
Military Department.....	D50H01	9
Maryland Institute for Emergency Medical Services Systems	D53T00	10
Maryland Health Benefit Exchange.....	D78Y01	11
West North Avenue Development Authority.....	D91	12
 Financial and Revenue Administration		
State Department of Assessments and Taxation	E50C	13
 Health		
Maryland Department of Health		
Office of the Secretary	M00A01	17
Health Professionals Boards and Commissions.....	M00B0104	20
Public Health Administration	M00F	22
Prevention and Health Promotion Administration.....	M00F03	25
Behavioral Health Administration	M00L	30
Developmental Disabilities Administration.....	M00M	35
Medical Care Programs Administration	M00Q01	38
Health Regulatory Commission.....	M00R01	48
 Human Services		
Department of Human Services		
Office of the Secretary	N00A01	52
Social Services Administration.....	N00B	54
Local Department Operations	N00G00	59
Child Support Administration.....	N00H00	67
Family Investment Administration	N00I00	69
 Housing and Community Development		
Department of Housing and Community Development	S00A	72

Recommended Reductions
Health and Human Services Subcommittee

<u>Agency</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed Funds</u>	<u>Total Funds</u>
2025 Budget Request					
Maryland Department of Health (MDH) Prevention and Health Promotion Administration	-\$6,000,000	\$0	\$0	\$0	-\$6,000,000
MDH Medical Care Programs Administration	-77,392	0	-213,365	0	-290,757
Department of Human Services (DHS) Child Support Administration	-3,655,000	0	-7,095,000	0	-10,750,000
DHS Family Investment	-7,500,000	-1,555,692	-200,000,000	0	-209,055,692
Department of Housing and Community Development	0	-1,000,000	0	0	-1,000,000
<i>Subtotal Fiscal 2025 Regular Budget</i>	<i>-\$17,232,392</i>	<i>-\$2,555,692</i>	<i>-\$207,308,365</i>	<i>\$0</i>	<i>-\$227,096,449</i>
Fiscal 2025 Total Budget	-\$17,232,392	-\$2,555,692	-\$207,308,365	\$0	-\$227,096,449
Fiscal 2024 Deficiency Budget					
DHS Social Services	-\$7,000,000	\$0	\$0	\$0	-7,000,000
<i>Subtotal Fiscal 2024 Deficiency Budget</i>	<i>-\$7,000,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>-\$7,000,000</i>
Total Fiscal 2024 Deficiency Budget	-\$7,000,000	\$0	\$0	\$0	-\$7,000,000
Grand Total Budget Bill	-\$24,232,392	-\$2,555,692	-\$207,308,365	\$0	-\$234,096,449

ii

D11A0401
Office of the Deaf and Hard of Hearing

Committee Narrative

D11A04.01 Executive Direction

Update on State Board of Sign Language Interpreters (SBSLI): Chapters 269 and 270 of 2023 (Maryland Sign Language Interpreters Act) established SBSLI under the Governor’s Office of the Deaf and Hard of Hearing (ODHH). Throughout calendar 2023, ODHH worked with the Governor’s office to appoint board members and start defining licensing requirements for sign language interpretation in the State. The committees request that ODHH submit a report on the board’s formation and operation, discussing:

- a list of appointed board members;
- progress toward establishing State sign language licensing requirements and projected timeline for publishing the requirements;
- progress toward establishing a Maryland registry and public database of sign language interpreters;
- strategies undertaken or planned to support interpreters through the licensing process and reach unlicensed interpreters;
- year-to-date and projected fiscal 2025 revenue in the Sign Language Interpreters Fund;
- methods employed to set the fee schedule and rates, collect fees, and provide financial assistance with fees;
- methods employed to receive and process complaints of interpreter fraud;
- key performance indicators or metrics that will be used to assess the success and impact of the licensing program; and
- community engagement activities held in fiscal 2024 and 2025 regarding sign language interpretation services and licensure in the State.

Information Request	Author	Due Date
Update on SBSLI	ODHH	September 30, 2024

D12A02
Department of Disabilities

Committee Narrative

D12A02.01 General Administration

Update on Maryland Department of Disabilities (MDOD) Efforts to Fill Vacant Positions:

As of December 1, 2023, MDOD reported 2 positions that had been vacant for less than nine months. The committees request that MDOD submit a report regarding those vacant positions, including:

- the status of the 2 positions that had been vacant for less than nine months, indicating if the positions have been filled as of the submission of the report;
- if applicable, candidates’ actual or anticipated start date; and
- recruitment strategies employed.

Information Request	Author	Due Date
Update on MDOD recruitment	MDOD	August 1, 2024

D12A02.02 Telecommunications Access of Maryland

Universal Services Trust Fund (USTF) Expenditures: The Maryland Department of Disabilities (MDOD) projects declining USTF balances through fiscal 2027 due to increased expenditures in the Telecommunications Access of Maryland (TAM) program. The committees request that MDOD submit a report providing an analysis of USTF expenditures, including:

- a breakdown of actual fiscal 2019 to 2023 expenditures and projected fiscal 2024 to 2029 expenditures by intended use of funds;
- reasons or factors contributing to the surge in both actual and projected expenditures;
- specific programs or areas driving the increased spending within the TAM program; and
- a timeline of when MDOD anticipates the necessity for a surcharge increase and the proposed amount for the surcharge increase.

D12A02

Information Request

Author

Due Date

Report on USTF expenditures

MDOD

September 15, 2024

D15A05
Boards, Commissions, and Offices

Committee Narrative

D15A05.03 Governor’s Office of Small, Minority & Women Business Affairs

Agency Minority Business Enterprise (MBE) Participation Attainment and Liaison Surveys: The committees are concerned by the continued low MBE attainment in State procurement and vacancies among Small Business Reserve and MBE program liaison positions in some State agencies. The committees request that the Governor’s Office of Small, Minority, and Women Business Affairs (GOSBA), in consultation with the Department of General Services (DGS), continue to administer the Agency MBE Participation and Liaison surveys and report the results by agency, including the time required to fill vacant program liaison positions, to the committees by December 1, 2024.

Information Request	Author	Due Date
Agency MBE participation attainment and liaison surveys	GOSBA DGS	December 1, 2024

D16A06 Secretary of State

Committee Narrative

D16A06.01 Office of the Secretary of State

Status of Vacant Positions: As of December 1, 2023, the Office of the Secretary of State reported 1 position that had been vacant for less than nine months and 1 position that had been vacant for more than one year. The assistant Secretary of State for charities and legal services is the position that had been vacant for less than nine months and was vacated due to a retirement in June 2023. The office is working to reclassify this senior level director title into 2 lower-level positions. The position that had been vacant for more than one year is a new forensic auditor position approved in a supplemental budget to the fiscal 2024 Budget Bill. The committees are interested in the status of filling the vacant positions and request the Office of the Secretary of State to submit a report providing an update on recruitment and hiring for the positions, including the status of reclassifying the assistant Secretary of State for charities and legal services position.

Information Request	Author	Due Date
Report on the status of vacant positions	Secretary of State	August 1, 2024

D26A07
Department of Aging

Committee Narrative

D26A07.03 Community Services

Report on Senior Care Funding Adequacy: The Maryland Department of Aging (MDOA) Senior Care program is provided by all local jurisdictions in the State and serves more than 5,000 individuals. Since fiscal 2023, the annual appropriation for Senior Care has included funding enhancements to address large waitlists in the program. Fiscal 2023 data suggests that with even modest increases in funding, local Area Agencies on Aging (AAA) are able to expand this service to significantly increase participation while reducing waitlist sizes. The fiscal 2024 working appropriation, after accounting for a planned reversion, totals \$13.9 million with \$4 million intended to address waitlists. The fiscal 2025 allowance continues funding at these levels. Given the recent increases in Senior Care appropriations, the committees are interested in understanding the actual need to serve those in need of Senior Care services in the local jurisdictions. The committees request that MDOA submit a report providing the following data:

- the number of individuals participating in Senior Care by local AAAs as of September 30, 2024;
- the number of individuals on the Senior Care waitlist by local AAAs as of September 30, 2024;
- the total funding expended on Senior Care in fiscal 2024 by each AAA; and
- the estimated level of funding needed to meet service demands by AAAs.

Information Request	Author	Due Date
Participation and funding needs	MDOA	December 1, 2024

Update on the Longevity Ready Maryland (LRM) Initiative: Established by executive order in January 2024, LRM Initiative will connect State agencies to develop strategies to prioritize the needs of the older population in Maryland across State government. The Maryland Department of Aging (MDOA) will oversee the initiative and staff workgroups and publish two reports with recommendations and a roadmap for interagency collaboration and program development. As of January 2024, MDOA is planning investments in data tools, including a data dashboard to better collect, track, and analyze data to inform its work. MDOA is required by executive order to submit a preliminary report in July 2025 and a final report in July 2026. To understand how fiscal 2024 and 2025 spending may be used to advance the goals of this

D26A07

initiative, the committees request that MDOA submit a report with the following data as of October 30, 2024:

- planned and completed expenses related to the LRM Initiative in fiscal 2024 and 2025;
- a brief timeline of activities and milestones leading up to the 2026 final report; and
- a list of agencies participating in the initiative.

Information Request	Author	Due Date
Update on the LRM Initiative	MDOA	December 15, 2024

Report on Prince George’s County Local Area Agency on Aging (AAA) Operations and Spending: The Maryland Department of Aging (MDOA) received \$3.6 million in federal stimulus funding through the Coronavirus Response and Relief Supplemental Appropriation Act between fiscal 2021 and 2023. MDOA distributed the funding to the 19 local AAAs to support program expenditures, and the funding expired September 30, 2023. Prince George’s County was 1 of 5 AAAs that did not completely expend its appropriation, leaving \$84,056 in federal funds unspent. Prince George’s County cited staffing challenges as the main reason for being unable to fully expend the appropriation. The committees are concerned about the ability of local jurisdictions to direct available funding to administer local services and request that MDOA and the Prince George’s County AAA submit a report on the former’s operations, including:

- an organizational chart of Prince George’s County AAA fiscal and operations units, indicating vacant positions;
- a description of revenue and expenditure process for receiving grants and funding programs;
- a list of fiscal 2023 and 2024 aggregated local, State, and federal revenue, and expenditures by program; and
- a description of barriers and challenges to receiving, processing, and spending funding.

Information Request	Author	Due Date
Report on Prince George’s County AAA operations	MDOA Prince George’s County AAA	August 1, 2024

D27L00
Maryland Commission on Civil Rights

Committee Narrative

D27L00.01 General Administration

Backlogged and Open Cases: The Maryland Commission on Civil Rights (MCCR) recognizes difficulties in managing cases, including backlogs awaiting assignment to investigators, limited staff resources, case complexity, cooperation among involved parties, and the extensive volume of documentation requiring review. The committees request that MCCR incorporate specific details in its annual Managing for Results submission, beginning with the fiscal 2026 allowance. This information should contain the overall count of unassigned cases categorized by type, the number of presently open and pending cases classified by type, and the count of cases exceeding one year, categorized by type.

Information Request	Author	Due Date
Performance measures related to the handling of cases	MCCR	With the submission of the fiscal 2026 allowance and annually thereafter

D50H01
Military Department

Committee Narrative

D50H01.05 State Operations

Tricare Premium Reimbursement Program Participation: The Tricare Premium Reimbursement Program was launched on November 1, 2023. The committees are interested in better understanding the participation of the program. The committees request that the Military Department submit a report on program implementation, program participation including the participation rate, and average grant amounts separately for fiscal 2024 and 2025 year to date. In addition, the report should include information about how the department plans to increase program participation.

Information Request	Author	Due Date
Tricare Premium Reimbursement Program participation	Military Department	December 31, 2024

Freestate Challenge Academy (FCA) Staffing Requirements: FCA is a State-run 22-week residential program for 16- to 18-year-olds who have dropped out of high school or are at risk of dropping out. Academic trainings and instructions are the responsibility of the teaching staff and occur predominately in a classroom setting. It is followed by 12-month post-residential intervention phase where students are assisted by at least 1 trained mentor from the community for further development. The committees are interested in understanding the status of FCA’s teaching staff and mentors and its future staffing requirement. The committees request that the Military Department submit a report on FCA’s teaching staff and mentors including its long-term staffing plan highlighting strategies to hire and retain staff. In addition, the report should include information on the status of FCA staff who were reallocated during fiscal 2020 and early fiscal 2021 to support pandemic relief measures.

Information Request	Author	Due Date
Report on FCA staffing status and long-term staffing plan.	Military Department	October 1, 2024

D53T00
Maryland Institute for Emergency Medical Services Systems

Committee Narrative

D53T00.01 General Administration

Update on Long-term Vacancies: As of December 31, 2023, the Maryland Institute for Emergency Medical Services Systems (MIEMSS) had 13 vacancies, 4 of which had been vacant for at least one year. At the budget hearing for MIEMSS on March 1, 2024, the agency testified that it had made offers to fill the 4 positions that had been vacant for one year or more. The committees are concerned about the impact of long-term vacancies on State operations and request that MIEMSS submit an update on its long-term vacancies, including:

- the titles and classifications of the 4 positions that had been vacant for more than one year;
- the date each position became vacant;
- the status of the 4 positions, indicating if the positions have been filled as of the submission of the report; and
- actions taken by MIEMSS to recruit for these vacant positions.

Information Request	Author	Due Date
Update on long-term vacancies	MIEMSS	July 1, 2024

D78Y01
Maryland Health Benefit Exchange

Committee Narrative

D78Y01.03 Reinsurance Program

Reinsurance Program Costs and Forecasts: The committees are interested in monitoring the costs of the State Reinsurance Program and future funding needs. The committees request that the Maryland Health Benefit Exchange (MHBE) submit a report that provides an updated forecast of spending and funding needs.

Information Request	Author	Due Date
Reinsurance program costs and forecast	MHBE	September 30, 2024

D91
West North Avenue Development Authority

Budget Amendments

D91A01.01 General Administration

Add the following language to the general fund appropriation:

, provided that \$250,000 of this appropriation made for the purpose of Grants to Non-Governmental Entities may not be expended until the West North Avenue Development Authority submits a report to the budget committees with the completed comprehensive neighborhood revitalization plan and grants manual. The comprehensive plan and grants manual shall be submitted by October 1, 2024, and the budget committees shall have 45 days from the date of the receipt to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the comprehensive plan and grants manual are not submitted to the budget committees.

Explanation: Chapters 80 and 81 of 2021 as amended by Chapter 136 of 2023 required West North Avenue Development Authority (WNADA) to submit a comprehensive neighborhood revitalization plan, including any procurement activities undertaken by the authority, by December 15, 2023. This plan has not yet been submitted. The 2023 Joint Chairmen’s Report requested that WNADA submit a grants manual. This manual was due on December 29, 2023, but has not yet been submitted. This language restricts \$250,000 pending the submission of a comprehensive neighborhood revitalization plan, as required by legislation establishing WNADA, and a grants manual to provide a simple and transparent review process.

Information Request	Author	Due Date
Comprehensive neighborhood revitalization plan and grants manual	WNADA	October 1, 2024

Amendment No. _____

E50C
State Department of Assessments and Taxation

Budget Amendments

E50C00.01 Office of the Director

Add the following language to the general fund appropriation:

. provided that \$50,000 of this appropriation made for the purpose of administration in the Office of the Director may not be expended until the State Department of Assessments and Taxation submits two reports to the budget committees on the status of vacancies within the Real Property Valuation Program. Each report shall include the following information on the two quarters immediately preceding the due date:

- (1) the number of employees in the program that have left State service (by employee class title and jurisdiction);
- (2) the number of new hires (by employee class title and jurisdiction);
- (3) the number of positions posted;
- (4) the number of qualifying applicants received in response to each posting;
- (5) the length of time from the posting of each position to the acceptance of an offer of employment;
- (6) the amount of time it takes for the average hire to finish the training and probationary period;
- (7) the average and median salaries for listed positions; and
- (8) the average and median salaries for comparable positions in surrounding states.

The first report shall be submitted by July 15, 2024, and the second report shall be submitted by December 15, 2024. The funds may be released in \$25,000 increments following the submission of each report. The budget committees shall have 45 days from the date of the receipt of each report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted to the budget committees.

Explanation: Concerns regarding staffing levels in the Real Property Valuation Program have been ongoing for several years. This language restricts funds budgeted for administrative purposes until the State Department of Assessments and Taxation (SDAT) submits two reports with data and status updates related to vacancies within the Real Property Valuation Program.

E50C

Information Request	Author	Due Date
Status updates on staffing in the Real Property Valuation Program	SDAT	July 15, 2024 December 15, 2024

Amendment No. _____

Add the following language to the general fund appropriation:

Further provided that \$50,000 of this appropriation made for the purpose of administration in the Office of the Director may not be expended until the State Department of Assessments and Taxation (SDAT) submits two reports on the status of the Cloud Revenue Integrated System development project and cybersecurity needs at SDAT. Each report shall include:

- (1) a description of project milestones achieved, remaining milestones, and the overall project schedule;
- (2) the number of vacancies among staff for the project and how long those positions have been vacant;
- (3) a description of actions taken by SDAT to fill vacancies specified above;
- (4) a discussion of how any vacancies among staff for the project have affected project progression; and
- (5) an update on the status of cybersecurity operations, information technology staffing, and efforts to consult and collaborate with the Department of Information Technology to meet cybersecurity needs at SDAT.

The first report shall be submitted by July 15, 2024, and the second report shall be submitted by December 15, 2024. The funds may be released in \$25,000 increments following the submission of each report. The budget committees shall have 45 days from the date of the receipt of each report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted to the budget committees.

Explanation: There have been ongoing concerns about information technology staffing and delays in the Cloud Revenue Integrated System (CRIS) development project. Additionally, SDAT indicated a concern about a lack of in-house cybersecurity staff and the intention to work with the Department of Information Technology to address unmet cybersecurity needs at SDAT. This language restricts funds budgeted for administrative purposes until SDAT submits

E50C

two reports updating the budget committees on the status of the CRIS project and cybersecurity needs at SDAT.

Information Request	Author	Due Date
CRIS status and cybersecurity report	SDAT	July 15, 2024 December 15, 2024

Amendment No. _____

Add the following language to the general fund appropriation:

Further provided that \$500,000 of this appropriation made for the purpose of administration may not be expended until the State Department of Assessments and Taxation (SDAT) submits a report to the budget committees on the property assessment notice mailing error that occurred in December 2023 and on management of contracts moving forward. The report shall include:

- (1) how the mailing error occurred;
- (2) the status of corrective actions taken to send out delayed notices and recover any potential losses in county and State revenue; and
- (3) how SDAT will manage contractor relations and oversight to safeguard against errors in the future.

The report shall be submitted by July 1, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Property assessment notices are statutorily required to be mailed to property owners in December of each year. The notice provides an updated property value per the most recent assessment, a schedule for phase-in of the newly assessed value over three years, and information on how the property owner may appeal the proposed value within 45 days of the notice. After the scheduled due date of assessment appeals in February 2024, the budget committees became aware of an error in the December 2023 mailing of assessment notices. Over 100,000 property owners did not receive the required notice at the end of December 2023, representing a total difference in property tax revenue of approximately \$151.6 million to counties and \$18.4 million to the State. This language restricts funding for administration until SDAT submits a report on the reasons for and resolution of the property assessment notice mailing error and on management of contracts moving forward.

E50C

Information Request

Author

Due Date

Report on property
assessment mailing error and
contract management

SDAT

July 1, 2024

Amendment No. _____

M00A01
Office of the Secretary
Maryland Department of Health

Budget Amendments

M00A01.01 Executive Direction

Add the following language to the general fund appropriation:

Further provided that \$500,000 of this appropriation made for the purposes of Executive Direction may not be expended until the Maryland Department of Health (MDH) submits a report to the budget committees on recruitment and new positions at MDH. The report shall include the following:

- (1) an evaluation of the impact of fiscal 2023 annual salary review adjustments and any other compensation benefits or incentives offered by MDH; and
- (2) a detailed breakout of new positions and contractual conversions departmentwide and by office in fiscal 2025.

The report shall be submitted by August 15, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purposes and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Language in the budget bills for fiscal 2023 and 2024 restricted funds pending reports on the reasons for vacancies and efforts to recruit and retain MDH employees, and MDH submitted one of the required reports on February 19, 2024. Although the vacancy rate as of January 1, 2024, in MDH Administration had decreased more than 3 percentage points compared to the vacancy rate in January 2023, MDH continues to report large numbers of vacancies in its administrative offices and at State facilities. The General Assembly remains interested in understanding the impact of recent compensation adjustments, recruitment strategies, and new fiscal 2025 positions on MDH staffing levels. This language restricts funds pending a report on additional information related to recruitment and new positions throughout MDH.

Information Request	Author	Due Date
MDH staffing and salary update	MDH	August 15, 2024

Amendment No. _____

M00A01

Committee Narrative

Overdose Response Efforts: As the opioid crisis evolves and overdoses in Maryland rise, the committees are interested in understanding the range and effectiveness of strategies that the Maryland Department of Health (MDH) is implementing to address the crisis. The committees request that MDH include in the annual report for the Commission on Behavioral Health Care Treatment and Access a list of departmentwide or interdepartmental initiatives designed to address substance use disorder among Maryland residents. Initiatives should include statewide efforts managed by MDH and be inclusive of preventive, educational, and relevant supportive services and programs. Specifically, the annual report should include:

- initiative names and brief descriptions of their function and activities;
- list of deliverables, goals, and outcomes, as applicable of the group or project;
- other agencies or nongovernmental entities involved with the initiative;
- date of establishment and date of termination (if applicable);
- MDH’s plan to continue the effort, including anticipated date to end or reevaluate project outcomes; and
- costs associated with each project from inception through the end of fiscal 2024, including unspent allocated funds.

Implementation of Recommendations from Financial Compliance Audit: In the Statewide Review of Budget Closeout Transactions for fiscal 2022 released in January 2023, the Office of Legislative Audits (OLA) included findings related to a review of 16 Maryland Department of Health (MDH) accounts and identified \$3.5 billion in federal fund revenue that lacked proper supporting documentation. This finding was repeated in OLA’s fiscal 2023 closeout audit, which found that \$2.3 billion in federal fund revenue lacked proper documentation. In an October 2023 fiscal compliance audit for the MDH Office of the Secretary and Other Units, OLA covered MDH’s federal fund accounting policies and procedures and published findings related to MDH’s failure to recover federal revenue, lack of adequate processes to verify receipt of federal fund reimbursement requests, and deficit balance in the Medicaid clearing account (which receives and reallocates federal funds to appropriate expenditure accounts). As of November 2023, MDH had implemented 13 of 28 recommendations published by OLA. The committees are interested in MDH’s progress toward meeting the goal of implementing all recommendations by the close of fiscal 2024 to address the deficiencies in its federal fund accounting procedures. The committees request that MDH submit a report with the following information, as of August 1, 2024:

M00A01

- the status of implementing each of the 28 recommendations published by OLA;
- a brief description of personnel and budgetary changes associated with implementing each recommendation;
- an indication of which recommendations, if any, were not implemented by June 30, 2024, and the reasons they were not implemented by that date or will not be implemented; and
- if applicable, estimated implementation dates for each recommendation that had not been completed by August 1, 2024.

Information Request	Author	Due Date
Report on implementation of recommendations from financial compliance audit	MDH	September 1, 2024

M00B0104
Health Professional Boards and Commissions
Maryland Department of Health

Budget Amendments

REGULATORY SERVICES

M00B01.04 Health Professionals Boards and Commissions

Add the following language to the special fund appropriation:

, provided that \$100,000 for the Board of Dental Examiners, \$100,000 for the Board of Pharmacy, and \$100,000 for the Board of Professional Counselors and Therapists, made for the purposes of administrative expenses may not be expended until a joint report is submitted by the Maryland Department of Health detailing the backlog of cases to be investigated by each board, plans to remedy the low completion percentage of the timely complaint investigation goal, and a timeline for improvement on annual performance goals. The report shall be submitted by August 1, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

Explanation: Several of the health professional boards have missed their annual Managing for Results performance goals relating to timely investigations for the last five fiscal years. This language restricts funds from the boards that have missed these goals for five consecutive years until the Maryland Department of Health (MDH) submits a joint report outlining plans to correct the low percentage of timely investigations and clear any case backlogs.

Information Request	Author	Due Date
Report on the Health Professional Boards and Commissions' timely investigation goal	MDH	August 1, 2024

Amendment No. _____

M00B0104

Committee Narrative

M00B01.05 Board of Nursing

Maryland Board of Nursing Infrastructure Operations Transfer: Chapters 222 and 223 of 2023 temporarily repeal the Maryland Board of Nursing’s authority to employ staff, define the duties of its staff, and employ an executive director. Instead, authority of the board’s infrastructure and oversight operations are assigned to the Secretary of Health. The committees request that the Maryland Department of Health (MDH) and the Board of Nursing submit a joint report detailing the implementation of the transfer of Board of Nursing infrastructure operations to MDH Office of the Secretary, including:

- how general funds within MDH Office of the Secretary and corresponding reimbursable funds within the Board of Nursing were spent in fiscal 2024;
- a list of the board’s activities that were determined to be infrastructure operations and were transferred to MDH Office of the Secretary;
- a breakdown of each agency’s role in infrastructure operations and the positions performing infrastructure and oversight duties; and
- details on the Board of Nursing’s and MDH Office of the Secretary’s plan to transition infrastructure operations back to the Board of Nursing beginning in fiscal 2026.

Information Request	Author	Due Date
Report on transfer of Board of Nursing infrastructure operations	MDH Board of Nursing	August 1, 2024

M00F
Public Health Administration
Maryland Department of Health

Budget Amendments

DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES

M00F01.01 Executive Direction

Add the following language to the general fund appropriation:

, provided that \$250,000 of this appropriation made for the purpose of executive direction may not be expended until the Maryland Department of Health (MDH) and the Department of Budget and Management submit a report to the budget committees on the Core Public Health Services funding formula, including how it is distributed across the 24 local health departments (LHD) and how MDH determines the local match required for each LHD. The report shall include the following information:

- (1) the amount of LHD funding allocated in the prior fiscal year that should be included in the base amount for the purpose of calculating the formula each year, specifying whether the base amount should include salary adjustments;
- (2) a comparison of the annual formula growth to actual LHD expenditure growth, by jurisdiction, between fiscal 2022 through 2025;
- (3) details regarding the methodology and rationale for determining LHD funding allocation by jurisdiction;
- (4) actual non-State LHD expenditures by jurisdiction allocated to LHD in fiscal 2022 through 2024; and
- (5) any recommendations to change the formula;
- (6) the local match percentage and amount required for each jurisdiction in each year from fiscal 2021 through 2025;
- (7) a description of how the local match percentage was applied in each fiscal year; and
- (8) recommendations to adjust the local match calculation to prevent burdensome increases in local funding requirements.

The report shall be submitted by October 1, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

M00F

Explanation: Section 2-302 of the Health – General Article mandates formula funding for Core Public Health Services (funding for LHDs) with an annual adjustment factor set to inflation and population growth. The formula, as currently written in statute, does not account for ongoing expenditures related to annual general salary increases, salary increments, or health insurance costs. In addition, increases in the State allocation to LHDs resulted in significant increases in the amount of local match funding required for each LHD in fiscal 2024, and this will likely be the case in fiscal 2025 as well. This language restricts funding until MDH and the Department of Budget and Management (DBM) submit a report on the funding formula calculation, recent actual LHD expenditures, and recommendations for any changes to the formula.

Information Request	Author	Due Date
Report on LHD funding formula	MDH DBM	October 1, 2024

Amendment No. _____

Add the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation made for the purpose of executive direction in the Office of the Deputy Secretary for Public Health Services may not be expended until the Maryland Department of Health, in consultation with the Office of the Attorney General, submits a report to the budget committees on improving oversight of the physician dispensing process. The report should include the following:

- (1) a summary of the agencies' roles in overseeing the permit process for physician dispensing of controlled dangerous substances (CDS) and non-CDS;
- (2) a description of permit requirements for physicians to dispense non-CDS, including the rationale behind the permit requirements;
- (3) a description of the steps that would be needed to transfer oversight authority to the Board of Physicians and the resulting impact on the Office of Controlled Substances Administration; and
- (4) anticipated operational and fiscal impacts of changing the dispensing permit for non-CDS from the provider level to facility level.

M00F

The report shall be submitted by September 1, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The committees are concerned that the process by which physicians are permitted to dispense non-CDS is inefficient and can result in unnecessary delays in dispensing non-CDS prescriptions. The committees are interested in opportunities to streamline the permit process by transferring oversight responsibilities from the Maryland Department of Health (MDH) Office of Controlled Substances Administration to the Board of Physicians or by changing parameters of the permit requirement. This language restricts funding for administrative purposes pending a joint report from MDH and the Office of the Attorney General (OAG) on the current dispensing permit process and impact of changes to the process.

Information Request	Author	Due Date
Report on physician dispensing permit process	MDH OAG	September 1, 2024

Amendment No. _____

M00F03
Prevention and Health Promotion Administration
Maryland Department of Health

Budget Amendments

M00F03.01 Infectious Disease and Environmental Health Services

Amend the following language on the general fund appropriation:

, provided that ~~\$10,000,000~~ 4,000,000 of this appropriation is contingent upon passage of legislation establishing the Center for Firearm Violence Prevention and Intervention.

Explanation: This action is technical and amends language that makes the funding for the Center for Firearm Violence Prevention and Intervention contingent on the enactment of legislation. A separate action reduces the funding for the Center for Firearm Violence Prevention and Intervention to provide \$4,000,000.

Amendment No. _____

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce general funds for the Center for Firearm Violence Prevention and Intervention based on the October 1, 2024, effective date, startup delays, and May 2025 submittal date of a State plan intended to guide the center’s work. A separate action modifies the language establishing the contingent appropriation to align with this reduction.	-6,000,000	GF
Total Change	-6,000,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	350.80	350.80		0.00
General Fund	34,028,628	28,028,628	-6,000,000	
Special Fund	40,771,080	40,771,080	0	
Federal Fund	131,070,969	131,070,969	0	
Total Funds	205,870,677	199,870,677	-6,000,000	

Amendment No. _____

M00F03

Committee Narrative

Efforts to Fill Long-term Vacant Positions: As of February 9, 2024, the Maryland Department of Health (MDH) Prevention and Health Promotion Administration (PHPA) reported 39 vacancies, with 4 positions being vacant for more than one year. The committees request that MDH submit a report regarding the 4 long-term vacant positions, including:

- the status of the positions, indicating if the positions have been filled as of the submission of the report;
- if applicable, candidates' actual or anticipated start dates; and
- recruitment strategies used to fill the positions.

Information Request	Author	Due Date
Report on status of long-term vacant positions in PHPA	MDH	July 1, 2024

Budget Amendments

M00F03.04 Family Health and Chronic Disease Services

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of administration in the Prevention and Health Promotion Administration may not be expended until the Maryland Department of Health submits a report on performance measures and evaluation of the Maryland Prenatal and Infant Care Grant Program. The report shall include, for fiscal 2023 through 2025 year to date:

- (1) a list of grantees by local jurisdiction;
- (2) a description of how each grant award was spent or will be spent;
- (3) performance measures and data collected from each grantee; and
- (4) a description of the department's evaluation activities and performance goals to assess the effectiveness of the Maryland Prenatal and Infant Care Grant Program.

M00F03

The report shall be submitted by October 1, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: This language restricts funding for administrative purposes until the Maryland Department of Health (MDH) submits a report on performance measures and evaluation of the Maryland Prenatal and Infant Care Grant Program administered by the Prevention and Health Promotion Administration.

Information Request	Author	Due Date
Report on performance monitoring of the Maryland Prenatal and Infant Care Grant Program	MDH	October 1, 2024

Amendment No. _____

Add the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation made for the purpose of program direction in the Prevention and Health Promotion Administration may not be expended until the Maryland Department of Health submits a report on the administration of the Maryland Pediatric Cancer Fund. The report shall include:

- (1) the status of regulations to determine allocations from the fund;
- (2) a description of the criteria for determining fund allocations;
- (3) a list of grantees receiving awards;
- (4) a description of the planned uses of each grant award;
- (5) the actual or estimated date that each grant was distributed to the grantee; and
- (6) if no awards have been distributed, a timeline for beginning distribution of grants in fiscal 2025.

The report shall be submitted by November 1, 2024, and the budget committees shall have

M00F03

45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Chapters 253 and 254 of 2022 established the Maryland Pediatric Cancer Fund and required the Maryland Department of Health (MDH) to administer the fund to distribute pediatric cancer research grants, which could also support prevention and treatment. This language restricts funding for program direction until MDH submits a report on the administration of the Pediatric Cancer Fund.

Information Request	Author	Due Date
Report on Maryland Pediatric Cancer Fund administration	MDH	November 1, 2024

Amendment No. _____

Committee Narrative

Performance Measures Related to Public Health Effects of Adult-use Cannabis: Chapter 26 of 2022 (Cannabis Reform) established the Cannabis Public Health Fund within the Maryland Department of Health (MDH) Prevention and Health Promotion Administration (PHPA) and charged PHPA with administering the fund to address the health effects associated with the legalization of adult-use cannabis. Considering this new State investment in cannabis-related public health activities, the committees request that PHPA submit a report detailing goals, objectives, and performance measures and outcomes related to public health effects of adult-use cannabis legalization that will be incorporated into future annual Managing for Results (MFR) submissions. Performance measures should include, but not be limited to, the prevalence of cannabis use among Maryland adults and youth shown separately. The report should include actual fiscal 2024 data for each planned performance measure related to the public health effects of adult-use cannabis legalization and a timeline for inclusion of the selected performance measures in MFR submissions.

Information Request	Author	Due Date
Performance goals and measures related to public health effects of adult-use cannabis legalization	MDH	November 1, 2024

M00F03

VIP Kids Program Administration: Beginning in fiscal 2024, the Maryland Department of Health (MDH) transitioned administration of the VIP Kids program under the Prevention and Health Promotion Administration from the Coordinating Center to a grant program for local health departments (LHD) to apply for funding to offer services under the program. The committees are concerned that this transition has potentially led to children formerly served by the program losing access. The committees request that MDH submit a report on the transition of the program from the Coordinating Center to LHDs, including:

- actual fiscal 2023 and 2024 expenditures on the VIP Kids program by fund type;
- the locations of program sites and program coverage areas by local jurisdiction before and after the transition;
- the number of children served by the VIP Kids program by jurisdiction before and after the transition;
- a description of MDH’s efforts to connect program participants served by the Coordinating Center with programs administered by LHDs;
- a list of LHDs that applied for grants and a list of LHDs that received grants through the program in fiscal 2024 and 2025;
- the reasons that LHDs chose not to apply for grants under the program; and
- a description of any efforts taken by MDH to encourage LHDs to apply for grants, inform LHDs of the availability of grants, and to provide technical assistance.

Information Request	Author	Due Date
Report on VIP Kids program administration	MDH	October 1, 2024

M00L
Behavioral Health Administration
Maryland Department of Health

Budget Amendments

M00L01.01 Program Direction

Add the following language to the general fund appropriation:

, provided that \$125,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health (MDH) submits two reports to the budget committees on the recoupment and forgiveness of overpayments to providers, and the transition to a new Administrative Services Organization (ASO). The first report shall include:

- (1) the status of completion of recoupment as of July 1, 2024, and if not yet completed, the report should include estimated date of completion;
- (2) the ending balance as of July 1, 2024, if process not yet completed;
- (3) the final amount recouped and forgiven at time of completion;
- (4) a brief explanation of the rationale behind forgiving providers, if provided;
- (5) a summary of the transition plan for the new ASO, including a timeline of key milestones in the transition process; and
- (6) concerns or risks anticipated with this transition and how MDH plans to address these concerns.

The second report shall include:

- (1) a summary of the transition plan for the new ASO, including a timeline of key milestones in the transition process; and
- (2) concerns or risks anticipated with this transition, and how MDH plans to address these concerns.

The first report shall be submitted by August 1, 2024, and the second report shall be submitted by December 1, 2024. The budget committees shall have 45 days from the date of the receipt of

M00L

the second report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Untimely and inaccurate provider payments issued by ASO led to MDH issuing provider reimbursements based on prior year estimates, resulting in the overpayment of some providers. Since fiscal 2021, MDH has been recouping and forgiving overpayments to reduce the balance owed to the State. As of January 2023, the balance was \$112 million, and MDH reported that it planned to complete the recoupment and forgiveness process by December 31, 2023. Language in the fiscal 2024 Budget Bill restricted funds pending a report providing an update on the status of recoupment. The report has not yet been submitted, and MDH has indicated recoupment will continue through the end of fiscal 2024. In addition, because the transition to the current ASO vendor resulted in significant complications with provider reimbursements, the committees are concerned about the transition to the new ASO. This language restricts funds until MDH submits a report by August 1, 2024, that provides an update on the overpayments and progress toward completing recoupment, as well as information on the transition plan and a second report providing an updating on the transition plan.

Information Request	Author	Due Date
Report on recoupment, forgiveness, and ASO transition	Behavioral Health Administration	August 1, 2024 December 1, 2024

Amendment No. _____

Add the following language to the general fund appropriation:

Further provided that \$250,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health submits three reports to the budget committees on reimbursements to non-Medicaid providers. The reports shall include provider reimbursement spending in M00L01.02 and M00L01.03, separated by service type. The reports should include data through September 1 for the first report, December 31 for the second report, and March 31 for the third report. The data should be provided for fiscal 2024 and the same period for the two prior fiscal years. The first report should also include final fiscal 2024 data by service type separately for M00L01.02 and M00L01.03 along with the data for the prior two fiscal years. The first report shall be submitted by September 30, 2024, the second report by January 20, 2025, and the third report by April 20, 2025, and the budget committees shall have 45 days from the date of the receipt of the third report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

M00L

Explanation: The committees are interested in better understanding the spending on provider reimbursements by service type for spending outside of the Medicaid Behavioral Health Provider Reimbursements program. This language restricts funds pending submission of three reports on non-Medicaid provider reimbursements.

Information Request	Author	Due Date
Report on non-Medicaid provider reimbursements	Maryland Department of Health	September 30, 2024 January 20, 2025 April 20, 2025

Amendment No. _____

Committee Narrative

Update on Long-term Vacancies: As of December 31, 2023, the Maryland Department of Health Behavioral Health Administration (BHA) had 9 vacancies that had been vacant for at least one year. The committees are concerned about the impact of long-term vacancies on State operations and request that BHA submit an update on its long-term vacancies, including:

- the titles and classifications of the 9 positions that had been vacant for more than one year;
- the date each position became vacant;
- the status of the 9 positions, indicating if the positions have been filled as of the submission of the report; and
- actions taken by BHA to recruit for these vacant positions.

Information Request	Author	Due Date
Update on long-term vacancies	BHA	July 1, 2024

M00L

Budget Amendments

M00L01.02 Community Services

Amend the following language to the general fund appropriation:

Further provided that \$3,000,000 of this appropriation is contingent upon the enactment of legislation establishing ~~county grants~~ for Assisted Outpatient Treatment programs.

Explanation: This action is a technical amendment to amend the contingent language. SB 453 and HB 576 of 2024 as introduced do not establish county grants for Assisted Outpatient Treatment programs but instead require counties to create these programs.

Amendment No. _____

Add the following language:

Further provided that these funds are to be used only for the purposes herein appropriated, and there shall be no transfer to any other program or purpose except that funds may be transferred to programs M00L01.03 Community Services for Medicaid State Fund Recipients, M00Q01.03 Medical Care Provider Reimbursements, or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements. Funds not expended or transferred shall be reverted.

Explanation: This language restricts the entire general fund appropriation for substance use disorder treatment, uninsured treatment, or other community service grants for that purpose or for provider reimbursements in M00L01.03 Community Services for Medicaid State Fund Recipients, M00Q01.03 Medical Care Provider Reimbursements, or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements.

Amendment No. _____

M00L

M00L01.03 Community Services for Medicaid State Fund Recipients

Add the following language to the general fund appropriation:

, provided that these funds are to be used only for the purposes herein appropriated, and there shall be no transfer to any other program or purpose except that funds may be transferred to programs M00L01.02 Community Services, M00Q01.03 Medical Care Provider Reimbursements, or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements. Funds not expended or transferred shall be reverted.

Explanation: This language restricts the entire general fund appropriation for provider reimbursements in M00L01.03 Community Services for Medicaid State Fund Recipients for that purpose or for transfer to M00L01.02 Community Services, M00Q01.03 Medical Care Provider Reimbursements, or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements.

Amendment No. _____

M00M
Developmental Disabilities Administration
Maryland Department of Health

Budget Amendments

M00M01.01 Program Direction

Add the following language to the general fund appropriation:

, provided that \$500,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health submits a report to the budget committees regarding the ongoing transition to a fee-for-service reimbursement system and year-to-date expenditures for that system. The report shall include fiscal 2025 Long Term Services and Supports utilization and spending by service type (residential services, meaningful day services, personal support services, and other services), including the number of claims, the number of services provided, and the total payments for each service type by month through November 2024.

The report shall be submitted by January 1, 2025, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The Developmental Disabilities Administration (DDA) is overhauling its Community Services system by implementing new service definitions, establishing new rates based on a fee-for-service reimbursement model, and transitioning to Medicaid’s existing Long Term Services and Supports (LTSS) system for billing and service authorization. These changes should improve DDA’s data collection and spending forecast abilities compared to the current prospective payment model. This language restricts funds budgeted for administration until the Maryland Department of Health (MDH) submits a report to the budget committees on the transition to the LTSS system and spending forecasts following the transition to a new rate structure. Since DDA anticipates completing the transition by September 1, 2024, DDA should also provide year-to-date spending data in the LTSS system by service type once all providers are transitioned to LTSS.

Information Request	Author	Due Date
Report on year-to-date spending data in the LTSS system	MDH	January 1, 2025

Amendment No. _____

M00M

Add the following language to the general fund appropriation:

Further provided that \$500,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health submits a report including:

- (1) the amounts of the upfront lump sum payments to providers in fiscal 2023 and 2024 during the provider transition to the Long Term Services and Supports system;
- (2) the reason for the additional upfront lump sum payments; and
- (3) the status, plan, and timeline for recouping duplicate payments.

The report shall be submitted by October 1, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The Developmental Disabilities Administration had increased expenditures in fiscal 2023 due to additional provider payments during the transition to Medicaid's existing Long Term Services and Supports system for billing and service authorization. This language restricts funds budgeted for administration until the Maryland Department of Health (MDH) submits a report to the budget committees on the upfront lump sum payments during this transition and the plan for recouping advance payments.

Information Request	Author	Due Date
Report on upfront lump sum payments and plan to recoup advance payments	MDH	October 1, 2024

Amendment No. _____

M00M01.02 Community Services

Add the following language:

All appropriations provided for program M00M01.02 Community Services are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

M00M

Explanation: The Maryland Department of Health has previously reported increasing net general fund transfers out of the Developmental Disabilities Administration Community Services program, mainly to cover shortfalls elsewhere in the department. This annual language restricts funds appropriated to the Community Services program to that use only and prevents budgetary transfers.

Amendment No. _____

M00Q01
Medical Care Programs Administration
Maryland Department of Health

Budget Amendments

M00Q01.01 Deputy Secretary for Health Care Financing

Add the following language to the general fund appropriation:

, provided that since the Maryland Department of Health Medical Care Programs Administration (MCPA) has had four or more repeat audit findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$100,000 of this agency’s administrative appropriation may not be expended unless:

- (1) MCPA has taken corrective action with respect to all repeat audit findings on or before November 1, 2024; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days from the date of the receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2025.

Explanation: The Joint Audit and Evaluation Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit a report to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	MCPA	45 days before the release of funds

Amendment No. _____

M00Q01

M00Q01.03 Medical Care Provider Reimbursements

Add the following language:

Provided that all appropriations provided for program M00Q01.03 Medical Care Provider Reimbursements are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program M00Q01.07 Maryland Children’s Health Program. Funds not expended or transferred shall be reverted or canceled.

Explanation: This language restricts funding for Medical Care Provider Reimbursements to that purpose only and prevents budgetary transfers to any program except M00Q01.07 Maryland Children’s Health Program.

Amendment No. _____

Committee Narrative

Community First Choice (CFC) Program and Home- and Community-based Options (Community Options) Waiver Financial and Registry Data: Recent efforts to expand home- and community-based services have led to significant increases in CFC program expenditures, including spending under the Community Options waiver. The committees request that the Maryland Department of Health (MDH) submit a report on CFC program spending. The report should include monthly enrollment, utilization, and cost data that aligns with actual fiscal 2024 and year-to-date fiscal 2025 budget expenditures under the CFC program. Additionally, the report should provide:

- the number of Community Options waiver slots filled and funded in fiscal 2024 and 2025 year to date;
- the number of Community Options waiver applications sent to individuals on the registry each month and the results of that outreach (including the number of applications returned and processed);
- an update on changes to registry operations to improve efficiency in taking individuals off of the registry and efforts to determine financial and medical eligibility for individuals while they remain on the registry;
- an update on MDH staffing supporting the Community Options waiver, including the number of vacant regular and contractual positions and the status of procuring additional staffing assistance;

M00Q01

- the number of individuals on the Community Options waiver registry as of June 30, 2024;
- an update on activities or efforts to implement the plan to reduce the Community Options waiver registry by 50% submitted to the General Assembly in February 2023; and
- details regarding the timing and amount of funds transferred from the Dedicated Purpose Account for End the Wait initiatives and to improve provider capacity.

Information Request	Author	Due Date
Report on CFC program and Community Options waiver financial and registry data	MDH	August 1, 2024

Quarterly Medicaid Enrollment Change and Application Processing: The Maryland Department of Health (MDH) will complete its 12-month unwinding process following the COVID-19 public health emergency on April 1, 2024, in which the department redetermined all Medicaid and Maryland Children’s Health Program (MCHP) participants’ eligibility. To continue to monitor the redetermination process after the unwinding period, the committees request that MDH submit quarterly reports with the following enrollment data on a monthly basis and divided by eligibility category:

- the number of eligibility renewals completed, including the number and share that were automatically renewed;
- the number of new individuals enrolled;
- measures of churn that reflect the number of individuals enrolled who previously received Medicaid or MCHP coverage and the timeframe of when they were last enrolled; and
- the number of individuals disenrolled, shown by reason for disenrollment, identifying procedural disenrollments and disenrollments due to overscaled income, aging out, and other common reasons for disenrollment.

Additionally, the committees request that the quarterly reports include the following administrative data on a monthly basis:

- call center volume, average wait times, and any other data related to call center activities that are required to be submitted to the Centers for Medicare and Medicaid Services; and

M00Q01

- measures of application processing times and the total number of applications processed for Modified Adjusted Gross Income (MAGI) cases and non-MAGI cases shown separately.

Information Request	Author	Due Date
Quarterly reports on Medicaid and MCHP enrollment and applications	MDH	July 15, 2024 October 15, 2024 January 15, 2025 April 15, 2025

Recruitment and Retention of Anesthesiologists in Maryland: The committees request that the Maryland Department of Health (MDH), the Maryland Health Care Commission (MHCC), and the Health Services Cost Review Commission (HSCRC) in coordination with the Maryland Society of Anesthesiologists study barriers in the recruitment and retention of anesthesiologists. The study should also include recommendations to eliminate identified barriers. Additionally, the committees request that the agencies submit a joint report that outlines the findings and recommendations resulting from the study. The report should include, but not be limited to, the following information:

- the proportion of anesthesiologists' patient mix in hospital settings and ambulatory surgical facilities across Maryland that are covered by public payers;
- the average commercial payment rate for anesthesiologists nationally and in Maryland;
- the average commercial payment rate for anesthesiologists compared to current Medicare and Medicaid reimbursement rates;
- a comparison of the average commercial payment rates for anesthesiologists and other physicians as a percentage of Medicare reimbursement rates;
- a description of other compensation provided to anesthesiologists that is not included in reimbursement rates, such as stipends;
- the number of anesthesia groups, hospitals, ambulatory surgical facilities, and any other settings where anesthesia is provided that have hired temporary or contractual staffing for anesthesiologists;
- impacts of current commercial, Medicare, and Medicaid reimbursement rates for anesthesiologists on recruitment and retention efforts; and

M00Q01

- impacts of current commercial, Medicare, and Medicaid reimbursement rates for anesthesiologists on hospital and other care settings' access to anesthesia services.

Information Request	Author	Due Date
Report on recruitment and retention of anesthesiologists in Maryland	MDH MHCC HSCRC	December 15, 2024

Reimbursement for Maternal Fetal Medicine: The committees request that the Maryland Department of Health (MDH), in consultation with the Maryland Health Care Commission (MHCC) and the Health Services Cost Review Commission (HSCRC), study reimbursement rates under the Medicaid program for services provided by maternal fetal medicine specialists. In order to assist MDH in completing this study, the committees request that MHCC and HSCRC provide all payer claim data to MDH that is necessary to complete the study. Additionally, the committees request that MDH submit a report that outlines the findings resulting from the study. The report should include the following information:

- the Current Procedural Terminology (CPT) codes billed by physicians identified as maternal fetal medicine specialists under Medicaid;
- the timing of when Medicaid reimbursement rates for each CPT code identified was last adjusted;
- the number of claims and funding amounts that have been billed through Medicaid for the identified CPT codes;
- demographic information for Medicaid participants receiving services billed as the identified CPT codes;
- the volume of claims billed through commercial insurers for the identified CPT codes; and
- a comparison of Medicaid, Medicare, and average commercial reimbursement rates for the identified CPT codes.

Information Request	Author	Due Date
Report on reimbursement of maternal fetal medicine	MDH MHCC HSCRC	December 15, 2024

M00Q01

Nursing Home Participation in Medicaid and Reported Revenues: The committees are interested in nursing home participation in the Medicaid program and revenue by geographic area. The committees request that the Maryland Department of Health (MDH) submit a report on nursing homes serving Medicaid participants. The report should provide data for nursing homes participating in Medicaid, including revenue by local jurisdiction and for-profit and not-for-profit status.

Information Request	Author	Due Date
Report on nursing home Medicaid participation and revenue	MDH	December 15, 2024

Proposed Federal Rule on Medicaid Long-term Care Data Reporting: In spring 2023, the federal Centers for Medicare and Medicaid Services published a proposed rule referred to as Ensuring Access to Medicaid Services, which would create new home and community-based services (HCBS) data reporting requirements among other changes. The committees request that the Maryland Department of Health (MDH) submit a report detailing the provisions in the final rule and plans to operationalize the rule in Maryland. In addition, the report should include the process that MDH will take to collect and report the following information from long-term care providers generally (nursing home and HCBS providers):

- revenues allocated to salaries and wages of all direct care workforce nonadministrative staff, including registered nurses (RN), licensed practical nurses (LPN), certified nurse aides, noncertified or resident care aides, directors of nurses, and in-house clerical staff who regularly interact with residents, program participants, and caregivers; and
- revenues allocated to contracted nursing care services.

The report should also include a review of the average hourly wage rate for private duty nursing services, including RNs and LPNs, in nearby states and the labor market overall. Finally, the report should discuss licensure requirements for residential service agencies to provide RN oversight, outlining the scope of work, associated costs, and coverage of these costs in provider reimbursement rates.

Information Request	Author	Due Date
Report on federal rule on long-term care data reporting	MDH	Within 180 days of the release of the final federal rule

M00Q01

Medicaid Reimbursement of School-based Behavioral Health Services: The committees are interested in the Maryland Department of Health’s (MDH) efforts to expand Medicaid reimbursement of school-based behavioral health services. The committees request that MDH submit a report providing an update on federal approval and implementation of this expansion. The report should outline, if applicable:

- differences in rates for community-based and school-based behavioral health services reimbursed by Medicaid;
- differences in authorization and billing processes for community-based and school-based behavioral health services reimbursed by Medicaid;
- differences in provider credentials and requirements for community-based and school-based behavioral health services reimbursed by Medicaid;
- potential impacts of the expansion on the community behavioral health workforce and recommendations to mitigate any negative effects; and
- potential impacts of the expansion on access to community-based behavioral health services and recommendations to increase access to services.

Information Request	Author	Due Date
Report on Medicaid reimbursement of school-based behavioral health services	MDH	January 15, 2025

End the Wait Initiatives to Increase Provider Capacity: Chapter 464 of 2022 (the End the Wait Act) required the Maryland Department of Health (MDH) to develop plans to reduce the waitlists for Medicaid home and community-based services (HCBS) waiver programs by 50% beginning in fiscal 2024. MDH indicated that wait lists and registries for HCBS waiver programs have grown, and some authorized slots have not been filled due to the limited capacity of the HCBS provider network. Funding is included in the fiscal 2024 and 2025 budgets for end the wait initiatives, and a portion of the funds are specifically allocated to improve HCBS provider capacity. The committees request that MDH submit a report on end the wait initiatives, including:

- the efforts taken in fiscal 2024 and 2025 year to date to implement the HCBS waiver reduction plans;

M00Q01

- an analysis of the extent of Medicaid HCBS provider capacity shortages, detailing the Medicaid HCBS waiver programs and local jurisdictions with the lowest supply of available slots and providers; and
- actual uses of funding in fiscal 2024 and planned uses of funding in fiscal 2025 to improve HCBS provider capacity; and
- any other efforts by MDH to improve HCBS provider capacity.

Information Request	Author	Due Date
Report on end the wait initiatives related to provider capacity	MDH	October 1, 2024

Budget Amendments

M00Q01.04 Benefits Management and Provider Services

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for increased health insurance costs as a technical correction. These expenditures are double budgeted as funding is already budgeted in the Statewide Account within the Department of Budget and Management for this purpose.	-77,392 GF	
	-213,365 FF	
 Total Change	 -290,757	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	323.50	323.50		0.00
General Fund	21,557,673	21,480,281	-77,392	
Federal Fund	57,845,927	57,632,562	-213,365	
Total Funds	79,403,600	79,112,843	-290,757	

Amendment No. _____

M00Q01

M00Q01.07 Maryland Children's Health Program

Add the following language:

Provided that all appropriations provided for program M00Q01.07 Maryland Children's Health Program are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program M00Q01.03 Medical Care Provider Reimbursements. Funds not expended or transferred shall be reverted or canceled.

Explanation: This language restricts funding for the Maryland Children's Health Program to that purpose only and prevents budgetary transfers to any program except M00Q01.03 Medical Care Provider Reimbursements.

Amendment No. _____

M00Q01.10 Medicaid Behavioral Health Provider Reimbursements

Add the following language to the general fund appropriation:

, provided that these funds are to be used only for the purposes herein appropriated, and there shall be no transfer to any other program or purpose except that funds may be transferred to programs M00L01.02 Community Services, M00L01.03 Community Services for Medicaid State Fund Recipients, or M00Q01.03 Medical Care Provider Reimbursements. Funds not expended or transferred shall be reverted.

Explanation: This language restricts the entire general fund appropriation for provider reimbursements in M00Q01.10 Medicaid Behavioral Health Provider Reimbursements to that purpose or for transfer to M00L01.02 Community Services, M00L01.03 Community Services for Medicaid State Fund Recipients, or M00Q01.03 Medical Care Provider Reimbursements.

Amendment No. _____

M00Q01

Fiscal 2024 Deficiency

M00Q01.10 Medicaid Behavioral Health Provider Reimbursements

Add the following language to the general fund appropriation:

, provided that these funds are to be used only for the purposes herein appropriated, and there shall be no transfer to any other program or purpose except that funds may be transferred to programs M00L01.02 Community Services, M00L01.03 Community Services for Medicaid State Fund Recipients, or M00Q01.03 Medical Care Provider Reimbursements. Funds not expended or transferred shall be reverted.

Explanation: This language restricts the entire general fund deficiency appropriation for fiscal 2023 provider reimbursements in M00Q01.10 Medicaid Behavioral Health Provider Reimbursements to that purpose or for transfer to M00L01.02 Community Services, M00L01.03 Community Services for Medicaid State Fund Recipients, M00Q01.03 Medical Care Provider Reimbursements.

Amendment No. _____

Add the following language to the general fund appropriation:

Provided that these funds are to be used only for the purposes herein appropriated, and there shall be no transfer to any other program or purpose except that funds may be transferred to programs M00L01.02 Community Services, M00L01.03 Community Services for Medicaid State Fund Recipients, or M00Q01.03 Medical Care Provider Reimbursements. Funds not expended or transferred shall be reverted.

Explanation: This language restricts the entire general fund deficiency appropriation for fiscal 2024 provider reimbursements in M00Q01.10 Medicaid Behavioral Health Provider Reimbursements for that purpose or for transfer to M00L01.02 Community Services, M00L01.03 Community Services for Medicaid State Fund Recipients, or M00Q01.03 Medical Care Provider Reimbursements.

Amendment No. _____

M00R01
Health Regulatory Commissions
Maryland Department of Health

Committee Narrative

M00R01.01 Maryland Health Care Commission

Private Payer Coverage of Ambulatory Surgical Facilities: The committees are interested in understanding individuals’ access to services provided at ambulatory surgical facilities paid for by private payers. The committees request that the Maryland Health Care Commission (MHCC) conduct a comprehensive study on the policies and procedures for including ambulatory surgical facilities in private payer plans. Additionally, the committees request that MHCC submit a report with findings and recommendations resulting from the study. The report should include:

- a detailed analysis of the cost differential between procedures performed in hospitals and procedures performed in freestanding facilities; and
- an assessment of the impact of integrating ambulatory surgical facilities with Total Cost of Care model agreements.

Information Request	Author	Due Date
Report on private payer coverage of ambulatory surgery centers	MHCC	September 1, 2024

Budget Amendments

M00R01.02 Health Services Cost Review Commission

Add the following language to the special fund appropriation:

, provided that \$125,000 of this appropriation made for the purpose of administration in the Health Services Cost Review Commission (HSCRC) may not be expended until HSCRC submits a report evaluating findings and recommendations from the Commission to Study Trauma Center Funding in Maryland. Specifically, the report should discuss:

- (1) the difference in incremental trauma expenses and standby payments incorporated in regulated hospital rates versus actual incremental trauma costs and standby costs;
- (2) efforts to cover the difference in actual incremental trauma costs and standby costs compared to costs currently paid for through regulated hospital rates;

M00R01

- (3) plans to implement the recommendation to allow all standby costs for the four primary specialties to be fully included in hospital rates;
- (4) plans to implement recommendations to audit incremental trauma costs and fully account for incremental trauma costs, as opposed to considering these costs as part of hospital efficiency methodology;
- (5) the status of aligning data systems with the Maryland Health Care Commission and Maryland Institute for Emergency Medical Services Systems to enable more complete analysis of trauma care and costs; and
- (6) specific timelines for implementing recommendations made by the Commission to Study Trauma Center Funding in Maryland.

The report shall be submitted by September 1, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

Explanation: Chapters 341 and 342 of 2023 established the Commission to Study Trauma Center Funding in Maryland to study the adequacy of trauma center funding. This language restricts funding for administrative purposes until HSCRC submits a report evaluating findings and recommendations from the Commission to Study Trauma Center Funding in Maryland.

Information Request	Author	Due Date
Report on trauma center funding recommendations	HSCRC	September 1, 2024

Amendment No. _____

Committee Narrative

Evaluation of the Maryland Primary Care Program (MDPCP) and Update on Outcome Based Credits: The Maryland Department of Health (MDH) and the Health Services Cost Review Commission (HSCRC) have indicated that an independent evaluation is being conducted for the MDPCP. Given the role of the MDPCP in transforming care in the State under the Total Cost of Care (TCOC) model, the committees request that HSCRC, in consultation with the MDPCP Project Management Office within MDH, provide the independent evaluation of the MDPCP to the committees. The independent evaluation should include information on the effectiveness of the program. In particular, this evaluation should outline cost savings from the MDPCP reducing unnecessary utilization or hospitalization for patients participating in the

M00R01

MDPCP over the increased expenditures from provider incentives. Further, given the anticipated benefits that the outcome-based credits have on TCOC metrics, the committees request information on the amount that outcome-based credits have discounted costs and MDPCP's contribution to the achievement and maximization of the current and future outcome-based credits and other population health goals. If the independent evaluation does not include this specified information, then HSCRC and MDH should provide supplemental materials to the committees with the requested information. In addition to the independent evaluation, HSCRC should also provide an update on the timing of federal approval for the two remaining outcome-based credits and results for the outcome-based credit related to diabetes prevention.

Information Request	Author	Due Date
Evaluation of the MDPCP and status of outcome-based credits	HSCRC MDH	October 1, 2024

M00R01.03 Maryland Community Health Resources Commission

Consortium on Coordinated Community Supports Grants: Chapter 36 of 2021 (the Blueprint for Maryland's Future – Implementation) established the Maryland Consortium on Coordinated Community Supports within the Maryland Community Health Resources Commission (MCHRC) to develop coordinated community supports partnerships and administer grants to meet students' holistic behavioral health needs. The committees are interested in monitoring the over \$110 million in Blueprint for Maryland's Future Fund expenditures for this purpose in fiscal 2024 and 2025. The committees request that MCHRC submit a report on consortium grants, including:

- grantees, by jurisdiction and use of funding, that received consortium grants in fiscal 2024 and 2025 year to date;
- the amount of Blueprint funding distributed as of July 1, 2024, remaining funds that were carried over for use in future fiscal years, and the amount of canceled funding that will be available for future awards;
- the number of students and schools to be served by each grantee or project;
- an update on the amount of Consortium grant funding spent on new authorized uses that are contingent on the Budget Reconciliation and Financing Act of 2024; and
- the timing for award and distribution of grants using Consortium funding allocated in fiscal 2025.

M00R01

Information Request	Author	Due Date
Report on Consortium grants	MCHRC	November 1, 2024

N00A01
Office of the Secretary
Department of Human Services

Committee Narrative

N00A01.01 Office of the Secretary

Maryland Total Human-services Integrated Network (MD THINK) Status and Utilization of Resources: The Department of Human Services (DHS) has encountered several challenges during the implementation of the MD THINK program. The committees request that DHS submit a report providing information on the program’s implementation status, including:

- an updated timeline detailing the status of past, present, and future phases of the MD THINK project;
- details of the allocation and utilization of financial resources within the program for fiscal 2023, 2024, and 2025;
- impact of the implemented improvement efforts on the overall functionality and efficiency of the MD THINK program, including providing insights into how these changes have reduced system errors, improved user experience, and altered project timelines;
- an updated list of non-DHS agencies that have transitioned, or plan to transition, to the MD THINK platform, implementation timeline and cost estimates for the transition phase for each agency; and
- details on upcoming initiatives or strategies aimed at achieving long-term functionality.

Information Request	Author	Due Date
Report on MD THINK status and utilization	DHS	December 15, 2024

Report on Department of Human Services (DHS) Administration Efforts to Fill Vacant Positions: As of December 31, 2023, DHS Administration had 66 vacant positions, 13 of which had been unfilled for more than one year. Given recent departmentwide efforts to bolster employee recruitment, the committees are interested in monitoring vacancies within the DHS Administration. The committees request that DHS submit a report that should include:

- the status of 13 positions that have been vacant for more than one year;

N00A01

- planned or enacted changes to vacant positions, including reclassifications and position terminations; and
- active recruitment efforts to fill vacant positions.

Information Request	Author	Due Date
Report on DHS Administration to fill vacant positions	DHS	August 1, 2024

N00B
Social Services Administration
Department of Human Services

Budget Amendments

N00B00.04 General Administration – State

Add the following language to the general fund appropriation:

, provided that since the Department of Human Services (DHS) Social Services Administration has had four or more repeat audit findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$250,000 of this agency’s administrative appropriation may not be expended unless:

- (1) DHS has taken corrective action with respect to all repeat audit findings on or before November 1, 2024; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days from the date of the receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2025.

Explanation: The Joint Audit and Evaluation Committee (JAEC) has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit a report to the budget committees on the status of repeat findings.

If OLA reports that an agency failed to completely resolve or make adequate progress toward resolving those repeat audit findings, JAEC requests that \$250,000 in general funds is withheld from each agency’s appropriation in the fiscal year following the OLA report until more satisfactory progress has been made toward resolution of those repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

Amendment No. _____

N00B

Add the following language to the general fund appropriation:

Further provided that \$250,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Department of Human Services (DHS) submits a report to the budget committees on the number of child welfare services cases and positions required based on the caseload to meet the Child Welfare League of America (CWLA) caseload standards, by jurisdiction, for the following caseload types, as of September 1, 2024:

- (1) intake screening;
- (2) child protective investigation;
- (3) consolidated in-home services;
- (4) interagency family preservation services;
- (5) services to families with children – intake;
- (6) foster care;
- (7) kinship care;
- (8) family foster care;
- (9) family foster homes – recruitment and new applications;
- (10) family foster homes – ongoing and licensing;
- (11) adoption;
- (12) interstate compact for the placement of children; and
- (13) caseworker supervision.

The report shall also include a discussion of specific actions taken by the department and local departments of social services to reallocate positions, including the number of positions reallocated by type (caseworker or supervisor) between jurisdictions and identifying the jurisdictions that these positions were transferred from and to, in order to ensure that all jurisdictions can meet the standards for both caseworkers and supervisors.

The report shall also include an update on the status of work done by CWLA to develop new workload standards for child welfare staffing, the completion by DHS of its child welfare workforce analysis, and broader efforts by DHS to improve recruitment and retention of caseworkers.

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The report shall be submitted by November 1, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Explanation: The committees believe that maintaining an adequate child welfare workforce is essential to improving outcomes for children entering the State’s care. In order to maintain oversight over this issue, the committees have adopted annual narrative in recent years requesting that DHS provide a report on the number of cases and positions required based on the caseload to meet CWLA caseload standards. This language withholds funding until a report with data related to the CWLA caseload standards is submitted, which contains current data as of September 1, 2024.

Information Request	Author	Due Date
Report on caseload data and filled positions assigned by jurisdiction for specified caseload types	DHS	November 1, 2024

Amendment No. _____

Committee Narrative

Hospital Stays by Youth in Out-of-home Placements (OOHP): The committees continue to be concerned about children and youth experiencing stays in emergency rooms or inpatient hospital settings longer than is medically necessary. Data has been requested on hospital stays by children and youth in OOHPs for several years. In an effort to continue to monitor this issue, the committees request that the Department of Human Services (DHS) submit a report that provides data for each month of the period October 2023 through September 2024 on:

- the number of youth in OOHPs served in emergency rooms for psychiatric evaluation or crisis and the average length of stay (ALOS) by month;
- the number of youth in OOHPs served separately by medical hospitals and inpatient psychiatric hospitals and ALOS by month;
- the number of days that youth in OOHPs served in hospitals were in the hospital longer than was deemed medically necessary by either the hospital or a judicial finding separately by type of hospital; and

N00B

- the placement type after discharge separately by type of hospital, including identifying the number of youths placed out of state after discharge for fiscal 2024.

Information Request	Author	Due Date
Report on hospital stays, ALOS, and placement after discharge	DHS	December 1, 2024

Implementation of Provisions of the Family First Prevention Services Act (FFPSA): The committees are interested in continuing to receive updates on the implementation of evidence-based prevention practices and other services under provisions of the federal FFPSA and the outcomes of those programs and services for families and children served. The committees request that the Department of Human Services (DHS) submit a report including:

- a list of all evidence-based practices being implemented through fiscal 2024, including data on jurisdiction and the number of families and children served during the fiscal year;
- any new evidence-based practices being implemented during fiscal 2025;
- the status of the updated five-year Title IV-E prevention services plan;
- data on the effectiveness of implemented evidence-based practices at preventing occurrences of subsequent maltreatment and out-of-home placements from occurring as well as an evaluation of any other outcomes related to parent and child well-being;
- the current number of providers in the State that have received designation as a Qualified Residential Treatment Program (QRTP) to allow for federal reimbursement under the FFPSA, including if any additional providers received this designation during fiscal 2024 and if future solicitations of applications for QRTP designation are planned;
- the status of the approval of the State’s revised cost allocation plan, including a discussion of the current ability of DHS to seek federal reimbursement for evidence-based prevention practices; and
- the number of children and families served and outcomes achieved through the Center for Excellence in Resource Family Development in fiscal 2024.

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Information Request	Author	Due Date
Update on the implementation of provisions of the federal FFPSA	DHS	November 1, 2024

N00G00
Local Department Operations
Department of Human Services

Budget Amendments

N00G00.01 Foster Care Maintenance Payments

Add the following language to the general fund appropriation:

Further provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose. Funds not expended shall revert to the General Fund.

Explanation: This annual language restricts general funds appropriated for foster care maintenance payments to that use only. This restriction prevents a transfer of general funds to other programs that might create or increase a deficit in spending in the Foster Care Maintenance Payments program (N00G00.01).

Amendment No. _____

Add the following language to the general fund appropriation:

Further provided that \$250,000 of this appropriation made for the purposes of rate reform and provider rate increases may not be expended until the Department of Human Services submits a report to the budget committees on the implementation of the new foster care provider rate structure for providers who have rates set by the Interagency Rates Committee. The report shall include details on the use of funding included in the fiscal 2025 allowance for this purpose, including the individual purposes that this funding will be used to support and an updated timeline on when each component of the new provider rate structure will be implemented. The report shall also include an update on the approval of amendments to the State Medicaid Plan to allow for clinical care costs to be eligible for reimbursement and when federal reimbursement will be able to be first sought for these costs. In addition, the report shall discuss the use of the funding for provider rate increases including how the funding included in the fiscal 2025 allowance will be used in conjunction with funding supporting rate reform or otherwise. The report shall be submitted by July 1, 2024, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The fiscal 2025 allowance for the Department of Human Services (DHS) Social Services Administration includes \$28.3 million to fund implementation efforts of a new provider rate structure, in addition to \$12 million provided for rate increases. However, no details have been provided about how the funding will support the rate reform effort. This language restricts

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funds until DHS submits a report on the implementation of the new foster care provider rate structure, and details on the specific uses of funds included in the fiscal 2025 allowance for this purpose, and how separate funding related to a provider rate increase will support these efforts. The language also requires an updated timeline on when DHS estimates that various components of the new provider rate structure will be implemented. DHS is encouraged to submit the report well in advance of July 1, 2024, so the funds for rate increases can be released prior to the beginning of the fiscal year.

Information Request	Author	Due Date
Report on the new foster care provider rate structure	DHS	July 1, 2024

Amendment No. _____

Fiscal 2024 Deficiency

N00G00.01 Foster Care Maintenance Payments

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce a portion of the general fund deficiency appropriation for increased placement costs within the Foster Care Maintenance Payments program. This reduction reduces the size of the proposed fiscal 2024 deficiency appropriation for this program from \$28.4 million to \$21.4 million and would leave a projected general fund surplus of \$5.2 million for the program in the case of increased placements and costs during the remainder of fiscal 2024.	-7,000,000	GF
 Total Change	 -7,000,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	28,426,097	21,426,097	-7,000,000	
Total Funds	28,426,097	21,426,097	-7,000,000	

Amendment No. _____

N00G00

Budget Amendments

N00G00.03 Child Welfare Services

Add the following language to the general fund appropriation:

, provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.01 Foster Care Maintenance Payments. Funds not expended or transferred shall revert to the General Fund.

Explanation: This annual language restricts general funds appropriated for the Child Welfare Services program to that use only or for transfer to N00G00.01 Foster Care Maintenance Payments.

Amendment No. _____

N00G00.08 Assistance Payments

Add the following language to the general fund appropriation:

, provided that these funds are to be used only for the purposes herein appropriated and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to programs N00G00.01 Foster Care Maintenance Payments or N00G00.03 Child Welfare Services for the purpose of replacing federal Temporary Assistance for Needy Families fund spending and to program N00I00.04 Director's Office for the purpose of transferring administrative spending for the Summer Electronic Benefit Transfer program. Funds not expended shall revert to the General Fund.

Explanation: This language restricts the general funds appropriated for the Assistance Payments program, which support public benefit programs administered by the Department of Human Services, to that use only with two exceptions. The first exception is to allow general funds to be transferred to the Foster Care Maintenance Program or Child Welfare Services program to replace Temporary Assistance for Needy Families (TANF) fund spending. The freed up TANF could then be spent in Assistance Payments for Temporary Cash Assistance benefits. The second exception would authorize transfers to the Director's Office for administrative funding for the Summer Electronic Benefit Transfer program. Language to require this transfer is included in separate actions. This restriction prevents a transfer of

N00G00

general funds to other programs. This language is consistent with actions on other entitlement programs.

Amendment No. _____

Add the following language to the general fund appropriation:

Further provided that \$9,000,000 of this appropriation made for the purpose of administrative expenses for the Summer Electronic Benefit Transfer (EBT) program may not be expended for that purpose but instead may be transferred by budget amendment to program N00I00.04 Director’s Office to be used only for administrative expenses for the Summer EBT program. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: The fiscal 2025 allowance includes \$9.0 million in general funds under the Summer Supplemental Nutrition Assistance Program for Children program that the Department of Human Services indicates will be used for administration of the Summer EBT program. The Assistance Payments program is used for benefit payments only. This language would require a transfer of these funds to the Director’s Office to be used for the same purpose.

Amendment No. _____

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for replacement benefits due to Electronic Benefit Transfer theft for cash benefit replacement due to lower estimated spending. The fiscal 2025 allowance includes \$15.4 million in general funds for replacement of cash benefits. Based on caseload trends, less than \$5.0 million is projected to be needed. A reduction of \$7.5 million would still allow for growth over current trends.	-7,500,000	GF

N00G00

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
2. Reduce special funds representing the estimated local match for the Summer Supplemental Nutrition Assistance Program for Children program. Although this level of local match is consistent with recent experience, the Department of Human Services indicates that the general funds budgeted in this program are instead intended for administrative costs for the federal Summer Electronic Benefits Transfer program, which does not require a local match. Therefore, these funds are not expected to be received or expended.	-1,555,692 SF	
 Total Change	 -209,055,692	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	136,891,259	129,391,259	-7,500,000	
Special Fund	10,308,633	8,752,941	-1,555,692	
Federal Fund	2,245,185,865	2,045,185,865	-200,000,000	
Total Funds	2,392,385,757	2,183,330,065	-209,055,692	

Amendment No. _____

Add the following language to the federal fund appropriation:

, provided that \$9,000,000 of this appropriation made for the purpose of administrative expenses for the Summer Electronic Benefit Transfer (EBT) program may not be expended for that purpose but instead may be transferred by budget amendment to program N00I00.04 Director's Office to be used only for administrative expenses for the Summer EBT program. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Explanation: The fiscal 2025 allowance includes \$9.0 million in federal funds that the Department of Human Services indicates will be used for administration of the Summer EBT

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program. The Assistance Payments program is used for benefit payments only. This language would require a transfer of these funds to the Director’s Office to be used for the same purpose.

Amendment No. _____

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce federal funds in the Supplemental Nutrition Assistance Program (SNAP) based on lower estimated average benefits. The fiscal 2025 allowance includes \$2.06 billion for SNAP benefits. Although the average number of cases is projected to be higher than what is assumed in the fiscal 2025 allowance, the average benefit is expected to be substantially lower based on recent experience. The fiscal 2025 allowance anticipates an average monthly benefit of approximately \$488 compared to an estimated average of \$342 based on recent experience and anticipated inflationary increases. This reduction would leave anticipated surplus in the event that benefits or caseloads are higher than anticipated.	-200,000,000	FF
Total Change	-209,055,692	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
General Fund	136,891,259	129,391,259	-7,500,000	
Special Fund	10,308,633	8,752,941	-1,555,692	
Federal Fund	2,245,185,865	2,045,185,865	-200,000,000	
Total Funds	2,392,385,757	2,183,330,065	-209,055,692	

Amendment No. _____

N00G00

Committee Narrative

Application Processing Times, Application Denials, and Case Closures: The committees remain interested in tracking the timeliness of application processing as well as the reason for denials and case closures. The committees request that the Department of Human Services (DHS) submit quarterly reports that contain:

- the number of applications processed by benefit type for Temporary Cash Assistance (TCA), Supplemental Nutrition Assistance Program (SNAP), and Temporary Disability Assistance Program (TDAP) separately by month;
- the average number of days to process applications by benefit type for TCA, SNAP, and TDAP separately by month;
- the percentage of applications denied by benefit type for TCA, SNAP, and TDAP separately by month;
- the number and percentage of applications denied by reason for denial and by benefit type for TCA, SNAP, and TDAP separately by month;
- the number of case closures by benefit type for TCA, TDAP, and SNAP separately by month; and
- the reasons for case closure by benefit type for TCA, TDAP, and SNAP separately by month.

The first report should include data for May through July 2024, and each subsequent report should provide data for the appropriate quarter.

Information Request	Author	Due Date
TCA, TDAP, and SNAP applications and case closures	DHS	October 5, 2024 January 5, 2025 April 5, 2025 June 30, 2025

Summer Food Benefits for Children: In November 2023, the Department of Human Services (DHS) submitted a Notice of Intent to participate in the new permanent nationwide Summer Electronic Benefit Transfer (EBT) program. This program will provide a benefit of \$40 per month per child for the three months in which children are out of school for those who qualify for free and reduced-price meals or meet certain other eligibility criteria. The committees are

N00G00

interested in monitoring the operation of the program. The committees request that DHS submit a report that:

- discusses actions taken by DHS to implement the new Summer EBT program;
- provides detail on administrative costs of the program;
- discusses efforts to work with local education agencies to implement the program;
- describes barriers or challenges faced in the implementation of the Summer EBT program;
- describes the timing for benefits to be distributed to families, including information regarding whether it will be distributed monthly, more than once per month, or in one lump sum; and
- provides information on the number of children receiving benefits by jurisdiction and month in the Summer EBT program as well as the dollar amount of benefits provided by jurisdiction and month.

The report should also detail information regarding federal requirements for benefit distribution timelines, including frequency and required dates of distributions, any flexibilities that the State has in terms of determining the dates and frequency of distribution, and any other information related to the department's final determination of the dates and frequency of benefit distribution.

Information Request	Author	Due Date
Summer EBT program implementation and participation	DHS	October 1, 2024

N00H00
Child Support Administration
Department of Human Services

Budget Amendments

N00H00.08 Child Support – State

Add the following language:

Provided that \$3,655,000 in general funds and \$7,095,000 in federal funds made for the purpose of the Child Support – State program in the Department of Human Services Child Support Administration shall be reduced. The Secretary is authorized to allocate this reduction within the program. The department is authorized to process a budget amendment to replace these funds with special funds from the Child Support Reinvestment Fund.

Explanation: The department annually receives federal funding related to performance in certain measures. These funds are typically budgeted as special funds from Child Support Reinvestment Fund. Despite anticipating receipt of these funds, the fiscal 2025 budget does not include funding from this source, which leads to a higher amount of general funds than will be needed to support the program. The Child Support Reinvestment Fund does not receive a federal fund match. This language reduces a total of \$10.75 million, including \$3.66 million in general funds and \$7.10 million in federal funds in the Child Support – State program in the Department of Human Services Child Support Administration. The language authorizes these reduced funds to be replaced by Child Support Reinvestment Funds.

Amendment No. _____

Committee Narrative

Child Support Performance Reports: The federal government evaluates states’ performance against five measures to determine federal incentive payments: paternity establishment; support order establishment; collections on current support; cases paying toward arrears; and cost effectiveness. Recent data from the Department of Human Services (DHS) Child Support Administration (CSA) shows that the agency is falling behind the federal performance goals in each of the five areas. Considering CSA’s recent transition of its primary data system, the Child Support Management System (CSMS), to make its agency’s processes and tasks more efficient, the committees are interested to understand how this new system is helping CSA achieve its performance goals.

The committees request that DHS submit three reports on performance using data as of June 30, 2024; September 30, 2024; and December 31, 2024. Each report should include the following:

N00H00

- a discussion of factors affecting performance in the quarter;
- the State’s aggregate performance set against the five performance measures used to determine federal incentive payments;
- each jurisdiction’s performance set against the five performance measures used to determine federal incentive payments;
- the number of cases in each jurisdiction in the quarter;
- specific tasks related to each of the five performance measures that are streamlined, made more efficient, or made more complicated by the new CSMS; and
- the number of staff in each jurisdiction who have been trained and those who have yet to be trained in the new CSMS.

Information Request	Author	Due Date
Child support performance reports	DHS	August 15, 2024 November 15, 2024 February 15, 2025

Report on Department of Human Services (DHS) Child Support Administration’s (CSA) Efforts to Fill Vacant Positions: As of December 31, 2023, DHS CSA had 51.5 vacant positions, 6 of which had been unfilled for more than one year. Given recent departmentwide efforts to bolster employee recruitment, the committees are interested in monitoring vacancies within DHS CSA. The committees request that DHS submit a report that should include:

- the status of 6 positions that have been vacant for more than one year;
- planned or enacted changes to vacant positions, including reclassifications and position terminations; and
- active recruitment efforts to fill vacant positions.

Information Request	Author	Due Date
Report on DHS CSA to fill vacant positions	DHS	August 1, 2024

N00I00
Family Investment Administration
Department of Human Services

Committee Narrative

N00I00.06 Office of Home Energy Programs

Energy Assistance Application Processing Times and Denial Rates: The committees are interested in continuing to monitor energy assistance application processing times by local administering agencies (LAA) and overall program denial rates. The committees request that the Department of Human Services (DHS) provide, by LAA:

- the number of applications received;
- the average number of days to process an application; and
- the number and percentage of applications processed within 30 days, 55 days, and longer than 60 days.

The report should discuss the primary reasons for any substantial changes in processing times that have occurred for individual LAAs between fiscal 2024 and 2025 year-to-date data.

In addition, the committees request that DHS provide application denial rates separately by benefit type as well as the share of application denials by reasons separately by benefit type. Data should include the number of applications initially denied due to incomplete information that were subsequently cured due to applicants providing missing information within the additional three months, as allowed under Chapters 638 and 639 of 2021. Fiscal 2024 end-of-year actual data for denial rates should be included in the report as well as fiscal 2025 data current through November 1, 2024.

Information Request	Author	Due Date
Application processing times and denial rates	DHS	December 31, 2024

Implementation of Changes in Eligibility for Energy Assistance Programs: The committees are interested in receiving updates on the impact of changes in eligibility for energy assistance programs due to Chapter 207 of 2023. The committees request that the Department of Human Services (DHS) submit a report on the status of implementation of categorical eligibility for energy assistance, including an update on the status of the integration of the Office of Home Energy Programs data system within the Eligibility and Enrollment component of the Maryland Total Human-services Integrated Network platform, and the status of ongoing system maintenance to improve customer service. Additionally, the report should include a discussion

N00100

of the number of additional households with incomes between 175% and 200% of the federal poverty level determined to be newly eligible for energy assistance benefits during the second half of fiscal 2024 and 2025, current through November 1, 2024, as a result of income eligibility changes implemented through Chapter 207 of 2023, and the adequacy of funding levels for energy assistance in the fiscal 2025 allowance to meet the increased number of recipients of benefits.

Information Request	Author	Due Date
Report on the status of implementation of categorical eligibility	DHS	January 1, 2025

Establishment of a Centralized Administrative Model for Energy Assistance: The committees are interested in receiving updates on the status of the establishment of a centralized administrative model for energy assistance programs under local departments of social services (LDSS). The committees request that the Department of Human Services (DHS) submit a report including an updated timeline for the transition of the administration of energy assistance programs from local administering agencies to LDSS. Additionally, the report should include a discussion of the estimated changes in administrative costs resulting from this transition, any additional staffing needs of LDSS due to this transition, and where additional costs for administrative expenses or personnel will be budgeted, if additional costs are identified. Lastly, the report should discuss how LDSS will work with current non-LDSS administering agencies to complete this transition, including what role these agencies will play in the application process for energy assistance benefits following the transition to the centralized administrative model.

Information Request	Author	Due Date
Report on the transition to a centralized administrative model for energy assistance programs	DHS	January 15, 2025

Customer Service Availability for Energy Assistance Programs: The committees are interested in monitoring customer service provided to applicants for energy assistance benefits related to assistance in completing applications and responding to related inquiries regarding application status. The committees request that the Department of Human Services (DHS) submit a report discussing the availability of customer service assistance provided by telephone separately by the staff of local administering agencies (LAA) and the DHS call center, including:

N00100

- whether applicants for energy assistance benefits are to receive assistance over the telephone to complete their application, including what types of assistance may be provided (such as submitting required information over the telephone and the ability to submit an application and check on application status);
- the availability of LAA staff or DHS call center staff to respond to telephone calls from applicants, including the hours of operation that calls are received;
- the number of telephone calls received by each LAA in fiscal 2024 and the primary reasons for calls;
- the average response times for calls received;
- the number and share of calls that go to voicemail;
- the number and share of calls that are abandoned without a response or a voicemail;
- the number of inquiries made by email and average response time for an email; and
- the number of inquiries through in-person visits to local offices and average in person wait times for office visits.

For information provided regarding LAA, the information should be provided separately for each LAA.

Information Request	Author	Due Date
Report on customer service availability for energy assistance programs	DHS	September 1, 2024

S00A
Department of Housing and Community Development

Budget Amendments

DIVISION OF NEIGHBORHOOD REVITALIZATION

S00A24.01 Neighborhood Revitalization

Amend appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. The fiscal 2025 allowance includes \$1.0 million in general funds for the same purpose. This action eliminates special funds for operating assistance grants that are double budgeted.	-1,000,000	SF
 Total Change	 -1,000,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Change</u>	<u>Position Change</u>
Position	61.00	61.00		0.00
General Fund	20,497,934	20,497,934	0	
Special Fund	14,445,615	13,445,615	-1,000,000	
Federal Fund	17,351,341	17,351,341	0	
Total Funds	52,294,890	51,294,890	-1,000,000	

Amendment No. _____