

Department of Legislative Services
 Maryland General Assembly
 2001 Session

FISCAL NOTE
Revised

House Bill 1331 (Delegate Rosenberg, *et al.*)
 Appropriations

Budget and Taxation

Individuals with Disabilities - Medicaid Waiver and Waiting List Initiative - Funding

This bill provides that all general funds appropriated in connection with the Medicaid waiver for home- and community-based services for adult individuals with disabilities that remain unexpended by the Department of Human Resources on June 30, 2001 may not revert to the general fund and must remain available for expenditure in the subsequent fiscal year. In addition, all general funds appropriated in connection with the Waiting List Initiative within the Developmental Disabilities Administration (DDA) in the Department of Health and Mental Hygiene (DHMH) that remain unexpended on June 30, 2001 may not revert to the general fund and must remain available for one-time expenditures that do not expand the base budget requirements for fiscal 2003.

The bill takes effect June 1, 2001.

Fiscal Summary

State Effect: General fund revenues could decrease by as much as \$540,700 in FY 2002 only. No effect on expenditures.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
GF Revenue	(\$540,700)	\$0	\$0	\$0	\$0
Expenditure	\$0	\$0	\$0	\$0	\$0
Net Effect	(\$540,700)	\$0	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: General funds not expended in fiscal 2001 for the home- and community-based services for adults with disabilities will revert to the general fund on June 30, 2001.

Background: The Department of Health and Mental Hygiene (DHMH) and the Maryland Department of Aging (MDoA) implemented the Senior Assisted Housing Waiver in 1993. The waiver gives eligible low-income adults a choice of receiving long-term care services in a community-based setting, rather than in a nursing facility. In 1999 the waiver was expanded to cover services in all types of licensed assisted living facilities, as well as supportive services for individuals living at home. The expanded waiver, now renamed the Waiver for Older Adults, is to be implemented in April 2001.

The Waiting List Initiative is a five-year initiative within the Developmental Disabilities Administration of DHMH that moves people off a waiting list and into community services. DHMH has given priority to parents who care for developmentally disabled children.

State Fiscal Effect: General fund revenues could decrease by as much as \$540,661 in fiscal 2002. The Department of Human Resources' fiscal 2001 budget appropriation for assisted living services is \$1,081,322 (50% federal funds, 50% general funds). The implementation of the waiver expansion has been delayed from January 2001 until April 2001 and a portion of this appropriation may not be expended on services during fiscal 2001. Under current law, any unspent general funds would revert to the general fund on June 30, 2001. The bill provides that these moneys do not revert and must remain available for expenditure in fiscal 2002.

DDA generally does not spend about \$1 million in general funds in the Waiting List Initiative program each year; however, these funds do not revert to the general fund. DHMH instead uses these funds to cover deficits in other administrations. The bill allows DDA to spend the remaining funds on one-time expenditures that do not raise the base budget requirements for fiscal 2003 and prohibits DHMH from spending the funds on other programs. Accordingly, because the funds do not revert to the general fund, general fund revenues would not be affected.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Human Resources, Department of Health and Mental Hygiene (Medicaid), Department of Legislative Services

Fiscal Note History: First Reader – March 14, 2001
mld/dcr Revised – Enrolled Bill – May 2, 2001

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