

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 257 (Delegate Krimm)
Health and Government Operations

Department of Aging - Contract Review

This bill requires the Secretary of Aging to conduct a review of specified contracts between area agencies on aging (AAAs) and third-party vendors, and it requires the Secretary to report specified findings and recommendations to the Governor and the General Assembly by January 1, 2019. **The bill takes effect June 1, 2018, and terminates May 31, 2020.**

Fiscal Summary

State Effect: The bill is not anticipated to impact State operations or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: For each contract that the Maryland Department of Aging (MDOA) has *required* an AAA to enter into as a prerequisite for the AAA to receive funding, the Secretary must conduct a review of the contract which includes (1) a determination of whether the vendor is fulfilling its obligations; (2) an identification of vendor costs and an assessment of whether another vendor could perform the same scope at a lesser cost; and (3) a survey of whether the area agencies have any suggested changes to the vendor scope or obligations. The Secretary must also make recommendations regarding the review and whether issuing an invitation for bids or request for proposals for a new contract is in the best interests of the State.

Current Law/Background: MDOA advises that, as of January 2018, there are no contracts that MDOA has required an AAA to enter into as a prerequisite to receive funding.

In Maryland, each of the 23 counties and Baltimore City designates an AAA. The agency may be a unit of local government or a private, nonprofit corporation. AAAs provide a variety of adult services, incorporating assisted living, protective services, and temporary disability programs. An AAA may elect to enter into contracts for the delivery of services, such as a contract with a caterer to provide meals, or a personal care agency to provide personal care attendants for seniors.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Aging; Department of Legislative Services

Fiscal Note History: First Reader - February 1, 2018
mm/jc

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