

**Department of Legislative Services**  
Maryland General Assembly  
2020 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 981  
Finance

(Senators Washington and Salling)

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**Workgroup to Study Long-Term Care Medicaid Eligibility and Payments to Providers**

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This bill establishes a Workgroup to Study Long-Term Care Medicaid Eligibility and Payments to Providers. The Department of Legislative Services (DLS) must provide staff for the workgroup. A member of the workgroup may not receive compensation but is entitled to reimbursement for expenses under standard State travel regulations. The workgroup must submit an interim report to the Governor and the General Assembly by December 1, 2020, and a final report by June 30, 2021. **The bill takes effect June 1, 2020, and terminates June 30, 2022.**

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**Fiscal Summary**

**State Effect:** DLS can staff the workgroup, and the State agencies that comprise the workgroup's membership can participate in the workgroup with existing budgeted resources. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** The workgroup must:

- identify, compile information on, and study the unique needs related to Medicaid long-term care (LTC) eligibility, the eligibility determination process, and permanent payments for Medicaid LTC;

- identify gaps in eligibility determinations that delay or lead to the denial of payments to skilled nursing and rehabilitation centers;
- identify and study issues with caseworkers, caseload, high turnovers, vacancies, and training associated with Medicaid LTC services;
- identify gaps that have created barriers to access to quality Medicaid LTC services;
- identify technical, compliance, and process issues associated with the Assets Verification System (AVS); and
- identify and study the issues faced by the Problem Resolution Unit.

The workgroup must make recommendations on:

- developing clear criteria and consistent policies to correct the current backlog of Medicaid LTC eligibility determinations and prevent any future backlog;
- developing methods to streamline the Medicaid LTC eligibility determination process;
- consolidating the entities that implement and oversee the Medicaid LTC eligibility determination process;
- the automatic renewal of contracts for AVS;
- the feasibility of requiring caseworkers to offer assistance to applicants in obtaining the information necessary for making an eligibility determination;
- streamlining the amount of information needed to make eligibility determinations and enforcing “good faith/reasonable certainty” policies where verification of information is unattainable;
- developing a system to guide caseworkers in evaluating applications in a specified manner;
- the feasibility of setting shorter time standards for making Medicaid LTC eligibility determinations;
- legislation, regulations, and policy initiatives needed to address needs related to Medicaid LTC services and payments; and
- funding requirements and budgetary priorities to address the needs associated with the Medicaid LTC eligibility determination process.

**Current Law/Background:** Medicaid provides health care coverage to children, pregnant women, elderly or disabled individuals, and indigent parents who pass certain income and asset tests. The Maryland Department of Health (MDH) is responsible for administering and overseeing Medicaid and determines the eligibility rules. The Department of Human Services (DHS) is responsible for management of the Client Automated Resource and Eligibility System, the computer system for most eligibility information (better known as CARES), and the initial determination and annual redetermination of eligibility for many Medicaid programs, including LTC.

Applications for Medicaid must be processed within 30 days, or 60 days if a disability determination is necessary. Federal regulations require that Medicaid LTC applications be processed within 45 days; however, LTC applicants have up to six months to provide proof of income and resources.

Chapter 303 of 2016 requires MDH (then the Department of Health and Mental Hygiene), in consultation with DHS (then the Department of Human Resources), to submit specified quarterly reports regarding Medicaid LTC eligibility determinations. MDH, in collaboration with DHS, must also conduct quarterly meetings with interested stakeholders to discuss the reports and develop strategies to resolve ongoing issues with and delays in Medicaid LTC eligibility determinations.

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### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** HB 977 (Delegate Kelly) - Health and Government Operations.

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

**Fiscal Note History:** First Reader - February 27, 2020  
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