

Department of Legislative Services
 Maryland General Assembly
 2022 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 636 (Delegate Belcastro)
 Health and Government Operations

Finance

Maryland Health Care Commission - Assisted Living Programs - Study

This bill requires the Maryland Health Care Commission (MHCC) to conduct a study regarding the quality of care provided by assisted living programs with nine or fewer beds. MHCC must work in consultation with the Office of Health Care Quality (OHCQ), the Maryland Long-Term Care Ombudsman Program, Medicaid, the Governor’s Workforce Development Board, and interested stakeholders. By October 1, 2023, MHCC must report its findings and recommendations, including any draft legislation, to the Governor, the Maryland Department of Health (MDH), and specified committees of the General Assembly.

Fiscal Summary

State Effect: MHCC special fund expenditures increase by \$50,000 in FY 2023 only for one-time contractual services to complete the required study. Other entities can provide consultation to MHCC using existing budgeted resources. Revenues are not affected.

(in dollars)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	50,000	0	0	0	0
Net Effect	(\$50,000)	\$0	\$0	\$0	\$0

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

Local Effect: The bill does not directly affect local government finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: In conducting the study, MHCC must (1) analyze inspection data from OHCQ to determine where quality of care may be improved; (2) examine entry into and exit from the market for assisted living programs, as specified; (3) consider the feasibility of developing a reporting system for assisted living programs that protects patient confidentiality and makes data related to catastrophic health emergencies and quality of care publicly available; (4) review current assisted living program licensure regulations to determine whether programs with 9 or fewer beds should be regulated differently than programs with 10 or more beds; (5) determine whether assisted living programs receive sufficient reimbursement to cover the cost of the services provided, as specified, and whether the Home- and Community-Based Options Waiver or any other waiver program that may be used for assisted living programs can be revised to improve the quality of care and increase provider participation; and (6) review staffing resources that could be better utilized and made available for these programs, as specified.

Current Law: An “assisted living program” is a residential or facility-based program that provides housing and supportive services, supervision, personalized assistance, health-related services, or a combination of such services that meets the needs of individuals who need assistance with the activities of daily living. In Maryland, assisted living programs are licensed by OHCQ within MDH. OHCQ must conduct an annual unannounced on-site inspection of each assisted living facility.

State Expenditures: MHCC advises that additional resources are required to conduct the necessary research and analysis required under the bill. Specifically, contractual services will be required to analyze OHCQ inspection data, examine market entry and exit, analyze data on assisted living facilities with less than 10 beds, and analyze staffing data. Thus, MHCC special fund expenditures increase by \$50,000 in fiscal 2023 for one-time contractual services to complete the study required under the bill.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 531 (Senator Beidle, *et al.*) - Finance.

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

Fiscal Note History: First Reader - February 14, 2022
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