



DEPARTMENT OF HEALTH

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary

March 6, 2020

The Honorable Delores G. Kelley, Chair
Senate Finance Committee
3 East, Miller Senate House Office Building
Annapolis, Maryland 21401

RE: SB 796 - Developmental Disabilities Administration - Program Changes and Required Reports - Letter of Concern

Dear Chair Kelley and Committee Members:

The Maryland Department of Health (Department) respectfully submits this letter of concern for SB 796 - Developmental Disabilities Administration - Program Changes and Required Reports, and requests that the Committee reports this bill, as introduced, unfavorably.

We have heard from the concerns of some providers in the developmental disabilities community about the technical issues with the LTSSMaryland system.

As a result, I have instituted a large stakeholder meeting every two weeks chaired by me. This is in addition to weekly meetings by Developmental Disabilities Administration (DDA) and the providers.

The Department is committed to working with the stakeholders to ensuring that we move the transition from prospective payments to a fee-for-service payment model forward in a cooperative manner. **It is important to have a system that the provider community is comfortable and confident using, but that also provides the accuracy, precision, and accountability required by the federal government.**

DDA services must be transitioned onto the LTSSMaryland system in order to comply with Federal mandates as Maryland needs to provide accurate and verifiable information regarding services provided and their cost. Failure to comply will put Maryland at risk of forfeiting millions of federal dollars and negative audit findings.

For the past five years, the DDA has been engaged in transformation activities, as requested by the General Assembly, including improvements to the service delivery model, rates paid for services, and a new information technology (IT) system. DDA has been steadily working toward the new system since 2014, when the Centers for Medicaid and Medicare Services (CMS) issued the Community Settings Rule to develop and refine services to enable people with developmental disabilities to lead fulfilling lives. CMS approved the DDA waiver renewal application pursuant to the 2014 rule, and it became effective on July 1, 2018.

As of the late Fall 2019, the DDA has brought five providers and 35 individuals into a pilot program to test the system. To accomplish a successful transition, we suggest a ‘rolling launch’ of this new payment model that can be accomplished without the need for a bill:

- Further expand our pilot with a small group of service providers who have expressed an interest in being early adopters.
- Expand access to LTSSMaryland and the electronic visit and verification functionality.
- Implement LTSSMaryland for developmental disability providers at the appropriate time next year.

These recommendations allow for a phased-in approach for all providers, avoids the potential for a financial penalty imposed by the federal government, and builds on the experience of the early adopters. DDA will assist providers with the transition.

If you have questions or need more information about this subject, please contact Webster Ye, Director of Governmental Affairs, at (410) 260-3190 or webster.ye@maryland.gov.

Sincerely,



Robert R. Neall
Secretary