



Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

March 28, 2023

The Honorable Joseline Peña-Melnyk
Chair, House Health and Government Operations Committee
Room 241, House Office Building
Annapolis, Maryland 21401

RE: SB 622 – Medicaid Waiver Programs – Waitlist and Registry Reduction (End the Wait Act) – Letter of Information

Dear Chair Peña-Melnyk and Committee Members:

The Maryland Department of Health (MDH) respectfully submits this letter of information for Senate Bill (SB) 622 – *Medicaid Waiver Programs – Waitlist and Registry Reduction (End the Wait Act)*. SB 622 authorizes Medicaid funds included in the annual budget bill to be used for hiring and retaining providers that serve Medicaid waiver programs. The bill also amends last year's Supplemental Budget #5 (Ch. 484 of the Acts of 2022) to require Medicaid funds to be used to provide community services to individuals waiting for services through waiver programs, and a portion of the funds may be used for expanding provider capacity, including for hiring and retaining staff and providers, increasing reimbursement rates and addressing other issues that limit provider capacity.

The Department of Budget Management has noted that this legislation as drafted constitutes a one-time funding opportunity but will create a structural funding obligation in future years. MDH estimates that implementing SB 622 and reducing the waitlists, as required by SB 636 (Chapter 464 of the Acts of 2022), will have a fiscal impact of approximately \$1.1 billion in total funds, with a 50% federal match, from Fiscal Year (FY) 2024 through FY 2029. Additional funding will be needed in subsequent FYs to sustain enrollment increases. These costs are not incorporated in the FY24 budget; therefore, MDH assumes additional funding will be required to implement SB 622.

If you need more information, please contact Megan Peters, Acting Director of Governmental Affairs at megan.peters@maryland.gov or (410) 260-3190.

Sincerely,

Laura Herrera Scott, M.D., M.P.H.
Secretary