



Montgomery County

Office of Intergovernmental Relations

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HB 509

DATE: February 14, 2024

SPONSOR: Delegates Kaiser, et al.

ASSIGNED TO: Health and Government Operations

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POSITION: FAVORABLE

Developmental Disabilities - Community Providers - Federal Participation for Local Funds

House Bill 509 ensures that the Developmental Disabilities Administration (DDA) will secure federal funding that would go directly to community providers of services to people with developmental disabilities. Specifically, the bill requires DDA to develop a process to receive federal funds for the appropriation of county or municipal general funds to community providers. The bill requires DDA to establish or modify DDA resources, rates, practices, or software systems, and to coordinate with the Centers for Medicare and Medicaid Services (CMS) to secure the federal funds. DDA must allocate the federal funds received under the bill to the community providers to which county or municipal funds have been appropriated. House Bill 509 requires DDA to submit a report to the General Assembly on December 1, 2024, and every six months thereafter that describes the actions taken to secure the federal funds; deadlines and resources required by DDA to secure the funds; and progress made towards securing the federal funds.

The provision of community services to people with developmental disabilities is the primary responsibility of DDA. However, the higher cost doing business in certain areas of the State has prompted some counties to provide county general funds as financial incentives to encourage providers to serve clients with developmental disabilities. This allocation of county general funds is appropriated to community providers in the counties providing the incentive and it helps maintain competitive wages for frontline workers that Medicaid reimbursement rates alone cannot support. From FY94 until FY99, DDA facilitated securing federal funding due to the county general funds that were used as supplemental incentives. However, since FY00 counties have continued to provide their general funds to community providers without the State securing available federal funds to support this considerable effort, despite ongoing requests, workgroups, and outreach to DDA to re-instate the process for securing federal funds.

Montgomery County has been providing County general funds to community providers since 1974 and has only received cooperation from DDA to secure available federal funds for this financial commitment for five years from FY94 until FY99. The passage of House Bill 509 would ensure that DDA secures tens of millions of dollars in annual federal funding to directly support providers of community services. Every year that passes without DDA taking action this federal funding is left on the table.

We respectfully urge the committee to issue a favorable report on House Bill 509 to require DDA to do its part to secure federal funding to ensure the sustainability of the provision community services to Marylanders with developmental disabilities.