

**Maryland General Assembly
Department of Legislative Services**

**Proposed Regulations
Department of Human Services
(DLS Control No. 20-004)**

Overview and Legal and Fiscal Impact

These regulations establish the Critical Medical Needs (CMN) Program in the Office of Home Energy Programs (the office) within the Department of Human Services as required by Chapters 282 and 283 of 2019 (House Bill 1189 and Senate Bill 425, respectively).

The regulations present no legal issues of concern.

There is no fiscal impact on State or local agencies beyond that already accounted for in the fiscal and policy note for Chapters 282 and 283 of 2019 (House Bill 1189/Senate Bill 425).

Regulations of COMAR Affected

Department of Human Services:

Family Investment Administration: Critical Medical Needs Program:
COMAR 07.03.25.01 through .11

Legal Analysis

Background

As mentioned, Chapters 282 and 283 established the CMN program within the department. The stated purpose of the CMN program is to reduce barriers to the energy assistance application process for “critical medically vulnerable individuals” and their households in obtaining State and federal financial assistance for their electric, gas, or other energy source bills so that their service continues or is restored.

Summary of Regulations

The regulations establish that the purpose of the CMN program is to: (1) reduce the barriers to the energy assistance application process for critical medically vulnerable individuals and their households in obtaining State and federal financial assistance for their electric, gas, or other energy source bills; (2) make referrals, as necessary, to other agencies and organizations when additional resources are necessary for the continuation or restoral of energy service; and (3) make referrals to the Department of Housing and Community Development for energy efficiency programs, and heating and cooling system repair or replacement programs. The regulations also establish a

number of related definitions, including for “critical medically vulnerable individual,” “life-support equipment,” and “navigator.”

The regulations specify eligibility requirements for services under the CMN program, and establish an application process for participation in the program.

Regulation .05 specifies requirements for the office upon receipt of an application for participation in the program, which include recording requirements and factors for the office to consider when denying or approving an application.

Regulation .06 requires an applicant to take certain actions upon a change of residence.

Regulation .07 specifies circumstances under which the office is required to terminate a recipient’s benefits, and requires the office to notify the fuel vendor or utility vendor of the vendor’s obligation to return the recipient’s unused benefits to the office.

Regulation .08 authorizes the office to issue benefits for arrearage retirement to an electric or gas company in an applicant’s service area on behalf of an eligible applicant who owes an outstanding arrearage to the electric or gas company for service. Additionally, the regulation describes the calculation of arrearage retirement benefits and require the office to make certain payments.

Regulation .09 (1) specifies that a recipient is liable for all payments made on the recipient’s behalf in excess of the maximum allowable benefit, (2) requires the recipient’s fuel vendor and utility vendor to return the amount of an overpayment from any unused benefit to the office; and (3) also requires the fuel vendor or utility vendor to return any unused benefit to the office in the event a vendor cannot apply a benefit to a recipient’s active account.

Regulation .10 requires the office to give written notification of the right to a fair hearing to each applicant or recipient under certain circumstances and cites the appeal procedures.

Regulation .11 requires the office to deliver benefits by the close of the business day the application for benefits is approved and make a certain reference if the benefits are insufficient to provide for continuation or restoral of services by the close of the business day the following day.

Legal Issues

The regulations present no legal issues of concern.

Statutory Authority and Legislative Intent

The department cites §§ 5-5A-07, 5-5A-08, and 5-608 of the Human Services Article as statutory authority for the regulations. Section 5-5A-07 requires the office to (1) carry out an energy emergency crisis intervention program to prevent low-income households, including the near poor, the elderly, households with children, and those on fixed incomes from experiencing danger to health or survival as a result of an energy emergency, establish intake procedures for

those experiencing an energy emergency; (2) establish guidelines for the income and program eligibility of applicants; and (3) identify local public or private agencies to administer the crisis intervention program. Section 5-5A-08 requires the office to implement and administer the CMN program, and the department to adopt regulations.

The relevant cited authority is correct and complete. The regulations comply with the legislative intent of the law.

Technical Corrections and Special Notes

In response to suggestions from the Department of Legislative Services, staff for the department agrees to correct several typographical errors prior to publication.

Fiscal Analysis

There is no fiscal impact on State or local agencies beyond that already accounted for in the fiscal and policy note for Chapters 282 and 283 of 2019 (House Bill 1189/Senate Bill 425).

Agency Estimate of Projected Fiscal Impact

The regulations implement Chapters 282 and 283 of 2019 (House Bill 1189 and Senate Bill 425), which established the Critical Medical Needs (CMN) Program within the department. The department advises that the regulations have no impact on State or local governments. The Department of Legislative Services concurs and notes that the fiscal impact of the regulations was already accounted for in the fiscal and policy note for House Bill 1189/Senate Bill 425 of 2019, which estimated that special fund expenditures for the department increase by \$86,850 in fiscal 2020 (and additionally in the out years) to hire necessary staff to facilitate the CMN program.

Impact on Budget

There is no impact on the State operating or capital budget.

Agency Estimate of Projected Small Business Impact

The department advises that the regulations have minimal or no economic impact on small businesses in the State. The Department of Legislative Services concurs, consistent with the fiscal and policy note for House Bill 1189/Senate Bill 425 of 2019.

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