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**By: Delegates Conroy, Cummings, Donoghue, Montague, Flanagan, Hurson, Heller, Mandel, Hixson, Pitkin, Klima, Branch, Dewberry, Preis, Hecht, Cadden, Conway, Slade, McKee, W. Baker, Owings, Workman, and Hubbard**

Introduced and read first time: February 9, 1996

Assigned to: Appropriations

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A BILL ENTITLED

1 AN ACT concerning

2 **Department of Health and Mental Hygiene - Community Programs - Reimbursement**  
3 **Rates**

4 FOR the purpose of requiring the Secretary of Health and Mental Hygiene to adopt  
5 regulations to adjust, beginning with Fiscal Year 1998, the reimbursement rates  
6 annually for certain services through the Developmental Disabilities  
7 Administration, the Alcohol and Drug Abuse Administration, and the Mental  
8 Hygiene Administration; specifying that the adjustments shall be made according to  
9 certain allocations provided in the State budget for State employees; and generally  
10 relating to the reimbursement rates for community programs funded by the  
11 Department of Health and Mental Hygiene.

12 BY adding to

13 Article - Health - General  
14 Section 7-306.2, 8-207, and 15-130  
15 Annotated Code of Maryland  
16 (1994 Replacement Volume and 1995 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - Health - General**

20 7-306.2.

21 (A) CONSISTENT WITH SUBSECTION (B) OF THIS SECTION, THE SECRETARY  
22 SHALL ADOPT REGULATIONS TO ADJUST ANNUALLY, FOR CHANGES IN THE COST OF  
23 LIVING, THE INDIVIDUAL AGENCY REIMBURSEMENT RATES FOR COMMUNITY  
24 PROGRAMS THAT SERVE INDIVIDUALS WHO HAVE DEVELOPMENTAL DISABILITIES.

25 (B) THE ADJUSTMENT SHALL:

26 (1) BE AT LEAST EQUAL TO THE PERCENTAGE OF THE ANNUAL  
27 INCREASE PROVIDED TO STATE EMPLOYEES IN THE STATE BUDGET;

28 (2) BE APPLICABLE FOR THE ENTIRE FISCAL YEAR;

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1 (3) BE MADE BEGINNING WITH FISCAL YEAR 1998 BASED ON THE TOTAL  
2 ALLOCATION FOR COMMUNITY PROGRAMS FUNDED BY THE ADMINISTRATION; AND

3 (4) BE APPLIED TO ALL PROVIDERS OF COMMUNITY SERVICES FUNDED  
4 BY THE ADMINISTRATION.

5 (C) FUNDS ALLOCATED FOR COST-OF-LIVING ADJUSTMENTS FOR  
6 COMMUNITY PROGRAMS FUNDED BY THE ADMINISTRATION SHALL BE USED ONLY  
7 FOR THE PURPOSE OF GRANTING COST-OF-LIVING ADJUSTMENTS TO THOSE  
8 PROGRAMS.

9 8-207.

10 (A) CONSISTENT WITH SUBSECTION (B) OF THIS SECTION, THE SECRETARY  
11 SHALL ADOPT REGULATIONS TO ADJUST ANNUALLY, FOR CHANGES IN THE COST OF  
12 LIVING, THE INDIVIDUAL AGENCY REIMBURSEMENT RATES FOR COMMUNITY  
13 PROGRAMS THAT SERVE INDIVIDUALS WHO HAVE AN ALCOHOL OR DRUG  
14 DEPENDENCE.

15 (B) THE ADJUSTMENT SHALL:

16 (1) BE AT LEAST EQUAL TO THE PERCENTAGE OF THE ANNUAL  
17 INCREASE PROVIDED TO STATE EMPLOYEES IN THE STATE BUDGET;

18 (2) BE APPLICABLE FOR THE ENTIRE FISCAL YEAR;

19 (3) BE MADE BEGINNING WITH FISCAL YEAR 1998 BASED ON THE TOTAL  
20 ALLOCATION FOR COMMUNITY PROGRAMS FUNDED BY THE ADMINISTRATION; AND

21 (4) BE APPLIED TO ALL PROVIDERS OF COMMUNITY SERVICES FUNDED  
22 BY THE ADMINISTRATION.

23 (C) FUNDS ALLOCATED FOR THE COST-OF-LIVING ADJUSTMENTS FOR  
24 COMMUNITY PROGRAMS FUNDED BY THE ADMINISTRATION SHALL BE USED ONLY  
25 FOR THE PURPOSE OF GRANTING COST-OF-LIVING ADJUSTMENTS TO THOSE  
26 PROGRAMS.

27 15-130.

28 (A) CONSISTENT WITH SUBSECTION (B) OF THIS SECTION, THE SECRETARY  
29 SHALL ADOPT REGULATIONS TO ADJUST ANNUALLY, FOR CHANGES IN THE COST OF  
30 LIVING, THE PER DIEM MEDICAL ASSISTANCE REIMBURSEMENT RATES AND THE  
31 AMOUNT OF MENTAL HYGIENE ADMINISTRATION GRANT FUNDS FOR  
32 COMMUNITY-BASED PSYCHIATRIC REHABILITATION PROGRAMS AND OUTPATIENT  
33 MENTAL HEALTH PROGRAMS THAT SERVE INDIVIDUALS WITH MENTAL DISORDERS.

34 (B) THE ADJUSTMENT SHALL:

35 (1) BE AT LEAST EQUAL TO THE PERCENTAGE OF THE ANNUAL  
36 INCREASE PROVIDED TO STATE EMPLOYEES IN THE STATE BUDGET;

37 (2) BE APPLICABLE FOR THE ENTIRE FISCAL YEAR;

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1                   (3) BE MADE BEGINNING WITH FISCAL YEAR 1998 BASED ON THE TOTAL  
2 ALLOCATION FOR COMMUNITY PROGRAMS FUNDED BY THE MENTAL HYGIENE  
3 ADMINISTRATION; AND

4                   (4) BE APPLIED TO ALL PROVIDERS OF COMMUNITY PSYCHIATRIC  
5 REHABILITATION PROGRAMS AND OUTPATIENT MENTAL HEALTH PROGRAMS  
6 FUNDED BY THE MENTAL HYGIENE ADMINISTRATION.

7                   (C) FUNDS ALLOCATED FOR COST-OF-LIVING ADJUSTMENTS FOR  
8 COMMUNITY PROGRAMS FUNDED BY THE MENTAL HYGIENE ADMINISTRATION  
9 SHALL BE USED ONLY FOR THE PURPOSE OF GRANTING COST-OF-LIVING  
10 ADJUSTMENTS TO THOSE PROGRAMS.

11                  SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 October 1, 1996.