
By: Senators Hoffman, Amoss, Boozer, Currie, Hogan, Kasemeyer, Lawlah, McFadden, Middleton, Munson, Ruben, Van Hollen, Forehand, Dorman, Astle, Della, Derr, Hafer, Madden, Roesser, Teitelbaum, Trotter, Young, and Craig

Introduced and read first time: January 31, 1997

Assigned to: Finance and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Developmental Disabilities Administration - Community-Based Services -**
3 **Reimbursement Rate**

4 FOR the purpose of requiring the Governor to include certain funding in the annual
5 State budget to be used for a certain purpose; requiring the Secretary of Health and
6 Mental Hygiene to adopt certain regulations to make certain adjustments to the
7 reimbursement rate for providers of community-based services for individuals with
8 developmental disabilities; establishing certain requirements for the adjustments;
9 establishing certain restrictions on the use of certain funds; defining certain terms;
10 and generally relating to the reimbursement rate for providers of community-based
11 services for individuals with developmental disabilities.

12 BY adding to

13 Article - Health - General
14 Section 7-306.2
15 Annotated Code of Maryland
16 (1994 Replacement Volume and 1996 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) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
22 INDICATED.

23 (2) "INDEX" MEANS THE MOST RECENT AVAILABLE FIGURE STATED IN
24 THE PUBLICATION "POVERTY IN THE UNITED STATES", PUBLISHED BY THE U.S.
25 BUREAU OF THE CENSUS AND UPDATED ON AN ANNUAL BASIS, WHICH DEFINES THE
26 NATIONAL POVERTY LEVEL FOR A FAMILY OF FOUR.

27 (3) "LIVING WAGE" MEANS THE HOURLY WAGE RATE DETERMINED
28 ANNUALLY BY THE ADMINISTRATION UNDER SUBSECTION (F) OF THIS SECTION.

1 (B) CONSISTENT WITH SUBSECTION (C) OF THIS SECTION, THE GOVERNOR
2 SHALL INCLUDE IN THE ANNUAL STATE BUDGET SUFFICIENT FUNDING TO PROVIDE
3 ANNUAL ADJUSTMENTS TO THE HOURLY REIMBURSEMENT RATE FOR INDIVIDUAL
4 PROVIDERS OF COMMUNITY-BASED SERVICES FOR INDIVIDUALS WITH
5 DEVELOPMENTAL DISABILITIES.

6 (C) (1) THE SECRETARY SHALL ADOPT REGULATIONS TO ANNUALLY
7 ADJUST THE HOURLY REIMBURSEMENT RATE FOR PROVIDERS OF
8 COMMUNITY-BASED SERVICES FOR INDIVIDUALS WITH DEVELOPMENTAL
9 DISABILITIES.

10 (2) THE ANNUAL ADJUSTMENTS SHALL SET THE HOURLY
11 REIMBURSEMENT RATE:

12 (I) FOR FISCAL YEAR 1998, AT \$6.60;

13 (II) FOR FISCAL YEAR 1999, AT \$7.10;

14 (III) FOR FISCAL YEAR 2000, AT \$7.70; AND

15 (IV) FOR FISCAL YEAR 2001, AND BEYOND, TO BE EQUAL TO OR
16 GREATER THAN THE LIVING WAGE, AS DETERMINED IN SUBSECTION (F) OF THIS
17 SECTION.

18 (3) THE ANNUAL ADJUSTMENTS SHALL:

19 (I) BE APPLICABLE FOR THE ENTIRE FISCAL YEAR;

20 (II) BE BASED ON THE TOTAL ALLOCATION FOR
21 COMMUNITY-BASED PROGRAMS FUNDED BY THE ADMINISTRATION; AND

22 (III) BE APPLIED TO ALL PROVIDERS OF COMMUNITY-BASED
23 SERVICES FUNDED BY THE ADMINISTRATION.

24 (D) FUNDS ALLOCATED FOR ANNUAL ADJUSTMENTS TO THE
25 REIMBURSEMENT RATE FOR INDIVIDUAL PROVIDERS OF COMMUNITY-BASED
26 SERVICES FOR INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES SHALL BE USED
27 ONLY FOR THE PURPOSE OF GRANTING LIVING WAGE ADJUSTMENTS TO THOSE
28 PROVIDERS.

29 (E) BEGINNING WITH FISCAL YEAR 2001, THE ADMINISTRATION ANNUALLY
30 SHALL DETERMINE THE LIVING WAGE.

31 (F) IN ANNUALLY DETERMINING THE LIVING WAGE FOR FISCAL YEARS 2001
32 AND BEYOND, THE ADMINISTRATION SHALL CALCULATE THE HOURLY WAGE
33 NECESSARY, BASED ON A 40-HOUR WORKWEEK, TO PROVIDE AN ANNUAL INCOME
34 THAT MEETS OR EXCEEDS THE INDEX.

35 (G) THIS SECTION MAY NOT BE CONSTRUED TO REQUIRE A
36 COMMUNITY-BASED SERVICES PROVIDER TO PAY ITS EMPLOYEES THE LIVING
37 WAGE IF THE ANNUAL STATE BUDGET DOES NOT PROVIDE SUFFICIENT FUNDING TO
38 IMPLEMENT THE ANNUAL ADJUSTMENT TO THE REIMBURSEMENT RATE FOR
39 COMMUNITY-BASED SERVICE PROVIDERS.

3

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 1997.