
By: **Senators Teitelbaum, McFadden, and Forehand**

Introduced and read first time: February 6, 1998

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Home- and Community-Based Services for Persons with Alzheimer's**
3 **Disease and Related Disorders - Medicaid Waiver**

4 FOR the purpose of requiring the Department of Health and Mental Hygiene to apply
5 to the federal Health Care Financing Administration for a certain home- and
6 community-based services waiver to provide certain services to certain
7 individuals with Alzheimer's disease and related disorders; requiring the
8 Department to conduct a certain study and report the results of the study to the
9 General Assembly; and generally relating to the provision of certain services to
10 certain individuals with Alzheimer's disease and related disorders.

11 BY repealing and reenacting, without amendments,
12 Article - Health - General
13 Section 1-101(a) and (c)
14 Annotated Code of Maryland
15 (1994 Replacement Volume and 1997 Supplement)

16 BY adding to
17 Article - Health - General
18 Section 15-130
19 Annotated Code of Maryland
20 (1994 Replacement Volume and 1997 Supplement)

21 Preamble

22 WHEREAS, Approximately 4 million Americans - 1 in 10 persons over age 65
23 and nearly half of those over age 85, as well as a small percentage of people in their
24 40's and 50's - have Alzheimer's disease; and

25 WHEREAS, In a 1993 national survey 19 million Americans say they have a
26 family member with Alzheimer's disease, and 37 million know someone with
27 Alzheimer's; and

1 WHEREAS, 70,000 Maryland residents have Alzheimer's disease or a related
2 disorder; and

3 WHEREAS, In the United States, approximately \$100 billion a year is spent on
4 care for Alzheimer's disease and neither Medicare nor private health insurance covers
5 the long-term care most persons with Alzheimer's need; and

6 WHEREAS, 7 of 10 persons with Alzheimer's disease live at home, more than
7 75% of home care is provided by family and friends, and the remainder is paid care
8 costing an average of \$12,500 per year, with families paying almost all of the cost
9 out-of-pocket; and

10 WHEREAS, Nationally, half of all nursing home patients suffer from
11 Alzheimer's disease or a related disorder, and the average cost of care in a nursing
12 home is \$42,000 per year; and

13 WHEREAS, In Maryland, nursing home expenditures account for 89% of
14 Medicaid long-term care spending and 27% of the total Medicaid provider
15 reimbursements budgeted for Fiscal Year 1999; and

16 WHEREAS, The long-term care system should accommodate the preferences of
17 consumers who prefer to remain independent and in their own homes and the
18 community for as long as possible; and

19 WHEREAS, States such as Wisconsin, Oregon, and Colorado that have made a
20 concerted commitment to home- and community-based care have reduced projected
21 nursing home use between 18% and 39% and have saved 9% to 23% in projected
22 long-term care costs; and

23 WHEREAS, The State-funded respite program, established by the General
24 Assembly in 1988, served over 700 functionally disabled individuals in 1997, yet still
25 has over 200 individuals on a waiting list; now, therefore,

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

28 **Article - Health - General**

29 1-101.

30 (a) In this article the following words have the meanings indicated.

31 (c) "Department" means the Department of Health and Mental Hygiene.

32 15-130.

33 (A) THE DEPARTMENT SHALL APPLY TO THE HEALTH CARE FINANCING
34 ADMINISTRATION OF THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN
35 SERVICES FOR A HOME- AND COMMUNITY-BASED SERVICES WAIVER UNDER §
36 1915(C) OF THE FEDERAL SOCIAL SECURITY ACT (42 U.S.C. § 1396(N)) IN ORDER TO

1 RECEIVE FEDERAL MATCHING FUNDS FOR THE PROVISION OF SERVICES TO
2 INDIVIDUALS WHO:

- 3 (1) HAVE ALZHEIMER'S DISEASE AND RELATED DISORDERS;
- 4 (2) ARE AGE 60 OR OLDER;
- 5 (3) HAVE FAMILY INCOME NOT GREATER THAN 200% OF THE FEDERAL
6 POVERTY LEVEL; AND
- 7 (4) WOULD OTHERWISE REQUIRE NURSING HOME
8 INSTITUTIONALIZATION.

9 (B) THE SERVICES COVERED UNDER THE WAIVER UNDER THIS SECTION
10 SHALL INCLUDE:

- 11 (1) ROUTINE AND EMERGENCY RESPITE CARE;
- 12 (2) ADULT DAY CARE;
- 13 (3) PERSONAL CARE;
- 14 (4) CASE MANAGEMENT; AND
- 15 (5) HOMEMAKER SERVICES.

16 (C) THE DEPARTMENT MAY PLACE A REASONABLE LIMIT ON THE NUMBER OF
17 INDIVIDUALS OR ON THE GEOGRAPHIC AREA OF THE STATE INCLUDED IN THE
18 WAIVER UNDER THIS SECTION.

19 SECTION 2. AND BE IT FURTHER ENACTED, That the Department of
20 Health and Mental Hygiene, in consultation with the Alzheimer's Association and
21 other interested parties, shall conduct a study to determine the number and
22 characteristics of individuals with Alzheimer's disease and related disorders who
23 might benefit most from the Medicaid waiver under Section 1 of this Act and for
24 whom the waiver would be most cost effective. The Department, subject to § 2-1246 of
25 the State Government Article, shall report the results of its study to the Senate
26 Finance Committee, the House Environmental Matters Committee, and the General
27 Assembly by December 1, 1998.

28 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take
29 effect July 1, 1998.