

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 722 (Senator Madden. *et al.*)

Finance

Assisted Living Programs - Small Facilities

This bill prohibits the Department of Health and Mental Hygiene (DHMH) from imposing sanctions on small assisted living programs until July 1, 1999, unless a resident's physical or emotional health has been harmed or is jeopardized. Small assisted living programs are those which provide services to 15 or fewer residents. DHMH is authorized to require small assisted living programs to report on significant difficulties in implementing the proposed assisted living regulations and is required to provide technical assistance to programs encountering difficulty in complying with the regulations. DHMH is required to report to the General Assembly before January 1, 1999 on the implementation of assisted living regulations.

The bill takes effect June 1, 1998.

Fiscal Summary

State Effect: None. The bill's technical assistance and reporting functions could be handled with existing budgeted resources. The prohibition on imposing sanctions would not materially affect State finances.

Local Effect: None.

Small Business Effect: Meaningful.

Fiscal Analysis

Background: Assisted living regulations (COMAR 10.07.14.01) were submitted by DHMH in February 1998 to the Administrative, Executive, and Legislative Review (AELR) Committee and will be published in May 1998 for public comment.

Small Business Effect: There are approximately 4,000 assisted living programs, of which approximately 2,800 have 15 or fewer residents. These small business assisted living programs would be favorably affected by the bill, because some could incur significant costs in attempting to comply with the proposed regulations. These costs include one-time equipment expenses of up to \$1,000 and ongoing annual medication review and training expenses in the range of \$3,000 to \$13,000.

Information Source(s): Department of Health and Mental Hygiene (Licensing and Certification Administration), Department of Human Resources, Office on Aging, Maryland Assisted Living Association, Department of Legislative Services

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Analysis by: Sue Friedlander	Direct Inquiries to:
Reviewed by: John Rixey	John Rixey, Coordinating Analyst
	(410) 841-3710
	(301) 858-3710