
By: **Chairman, Environmental Matters Committee (Departmental - Health and Mental Hygiene)**

Introduced and read first time: January 20, 1999

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Developmental Disabilities - State Plan - Private Community-Based**
3 **Services - Billing Rate Appeals**

4 FOR the purpose of repealing a certain administrative appeals process for certain
5 providers or groups of providers of certain community-based services to
6 individuals with developmental disabilities; and generally relating to private
7 community-based services for individuals with developmental disabilities.

8 BY repealing and reenacting, with amendments,
9 Article - Health - General
10 Section 7-306.1
11 Annotated Code of Maryland
12 (1994 Replacement Volume and 1998 Supplement)

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

15 **Article - Health - General**

16 7-306.1.

17 (a) The Administration shall develop and implement a funding system for the
18 distribution of State funds to private providers that are under contract with the
19 Administration to provide community-based services to individuals with disability in
20 accordance with the State plan.

21 (b) [(1)] Under the funding system developed under subsection (a) of this
22 section, the Administration shall notify each private provider at least 30 days before
23 the beginning of the fiscal year of the billing rate or amount of funds to be paid to the
24 provider for the provision of community-based services to an individual with
25 developmental disability or a group of individuals with developmental disability for
26 the coming fiscal year.

1 [(2) (i) A private provider may request an administrative resolution of
2 a billing rate set under paragraph (1) of this subsection.

3 (ii) Within 60 days after receipt of the provider's request, the
4 Administration shall make a decision on the request for an administrative resolution.

5 (iii) If an administrative resolution cannot be reached between the
6 provider and the Administration, the provider may request an evidentiary hearing or
7 an oral hearing in accordance with regulations of the Department.]

8 (c) Subject to the provisions of subsections (d), (e), and (f) of this section, the
9 Administration shall provide payment to private providers for the services provided
10 from the funds designated in subsection (b) of this section in accordance with the
11 following payment schedule:

12 (1) On or before the third business day of the fiscal quarter beginning
13 July 1, 33% of the total annual amount to be paid to the provider;

14 (2) On or before the third business day of the fiscal quarter beginning
15 October 1, 25% of the total annual amount to be paid to the provider;

16 (3) On or before the third business day of the fiscal quarter beginning
17 January 1, 25% of the total annual amount to be paid to the provider; and

18 (4) On or before the third business day of the fiscal quarter beginning
19 April 1, 17% of the total annual amount to be paid to the provider.

20 (d) The Administration may deviate from the payment schedule provided
21 under subsection (c) of this section for any provider:

22 (1) That is reimbursed through the prospective payment system and fails
23 to submit properly completed program attendance reports within 15 days of the
24 beginning of each month; or

25 (2) That provides services under the medical assistance program and
26 fails to submit the designated forms used by the medical assistance program to claim
27 federal fund participation within 30 days after the end of each month.

28 (e) A deviation from the payment schedule as provided under subsection (d) of
29 this section may occur only if the Administration has:

30 (1) Advised the provider that:

31 (i) An attendance report which has been submitted on time is in
32 need of correction; or

33 (ii) A designated medical assistance form which has been submitted
34 on time is in need of correction;

35 (2) Allowed the provider at least 5 working days to resubmit or correct
36 the report or form; and

1 (3) Not in any way contributed to the delay of or error on a report or
2 form.

3 (f) The amount of a reduction of payments to a provider pursuant to
4 subsections (d) and (e) of this section may not exceed the amount of lost federal
5 revenue attributable to the delay or error.

6 (g) The Administration:

7 (1) Shall place sufficient funds in a specially designated account with the
8 Office of the Comptroller to meet its financial obligations under subsection (c) of this
9 section;

10 (2) Shall disburse funds from the account in accordance with the
11 payment schedule provided in subsection (c) of this section; and

12 (3) May not use the funds in the account for any other purpose except for
13 the purpose of reimbursing private providers for the provision of community-based
14 services to individuals with developmental disability.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 October 1, 1999.