

SENATE BILL 432

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2001 Regular Session
11r1985
CF 11r2243

By: **Senators Middleton, Van Hollen, Kasemeyer, Lawlah, Madden, Dyson, Colburn, Collins, Conway, DeGrange, Della, Dorman, Forehand, Frosh, Green, Hafer, Haines, Harris, Hoffman, Hogan, Hollinger, Hooper, Jacobs, Jimeno, Kelley, McCabe, McFadden, Mitchell, Mooney, Munson, Neall, Roesser, Ruben, Sfikas, Stone, and Teitelbaum**

Introduced and read first time: February 2, 2001
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Developmental Disabilities - Community Supports - Reimbursement Rate**

3 FOR the purpose of requiring the Department of Health and Mental Hygiene to
4 increase the rate of reimbursement paid to community providers of services to
5 individuals with developmental disabilities in a manner that reduces a certain
6 disparity amount by certain percentages beginning on a certain date; requiring
7 the Department to determine by a certain date, a certain disparity amount
8 using certain data and information and to determine the amount of annual rate
9 increases necessary to eliminate a certain disparity amount in a certain manner;
10 requiring the Department to adopt certain regulations; providing for the
11 construction of this Act; defining certain terms; and generally relating to
12 community providers of services to individuals with disabilities and rate
13 increases.

14 BY adding to
15 Article - Health - General
16 Section 7-307
17 Annotated Code of Maryland
18 (2000 Replacement Volume)

19 Preamble

20 WHEREAS, The State of Maryland has a responsibility to ensure that the
21 community-based services provided to individuals with developmental disabilities
22 are of high quality and comply with all regulations; and

23 WHEREAS, The General Assembly is concerned that the reimbursement rates
24 for community providers of services to individuals with developmental disabilities are
25 insufficient to adequately compensate community direct service workers; and

1 WHEREAS, The inadequacy of the reimbursement rates for community
2 providers of services to individuals with developmental disabilities results in a wage
3 disparity between community direct service workers and State employees in
4 comparable positions in State residential facilities; and

5 WHEREAS, The inadequacy of the reimbursement rates for community
6 providers of services to individuals with developmental disabilities has been ongoing
7 and unresolved for many years and there is a need to address the issue in a
8 comprehensive, equitable, and objective manner; now, therefore,

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

11 **Article - Health - General**

12 7-307.

13 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
14 INDICATED.

15 (2) "COMMUNITY PROVIDER" MEANS A COMMUNITY-BASED AGENCY OR
16 PROGRAM FUNDED BY THE ADMINISTRATION TO SERVE INDIVIDUALS WITH
17 DEVELOPMENTAL DISABILITIES.

18 (3) "COMMUNITY DIRECT SERVICE WORKER" MEANS AN EMPLOYEE OF A
19 COMMUNITY PROVIDER THAT PROVIDES SUPPORT OR SERVICES TO INDIVIDUALS
20 WITH DISABILITIES.

21 (4) "DISPARITY AMOUNT" MEANS THE MONETARY CALCULATION OF THE
22 AVERAGE DIFFERENCE IN WAGES AND BENEFITS BETWEEN COMMUNITY DIRECT
23 SERVICE WORKERS, DEVELOPMENTAL DISABILITIES ASSOCIATES, OR OTHER
24 COMPARABLE POSITIONS EMPLOYED IN STATE RESIDENTIAL CENTERS.

25 (5) "RATE" MEANS THE REIMBURSEMENT RATE PAID BY THE
26 DEPARTMENT TO A COMMUNITY PROVIDER FROM THE STATE GENERAL FUND,
27 MARYLAND MEDICAL ASSISTANCE PROGRAM FUNDS, OTHER STATE OR FEDERAL
28 FUNDS, OR A COMBINATION OF FUNDS.

29 (B) NOTWITHSTANDING THE PROVISIONS OF THIS TITLE, THE DEPARTMENT
30 SHALL REIMBURSE COMMUNITY PROVIDERS AS PROVIDED IN THIS SECTION.

31 (C) (1) ON OR BEFORE JULY 1, 2001, THE DEPARTMENT SHALL DETERMINE:

32 (I) THE DISPARITY AMOUNT; AND

33 (II) THE AMOUNT OF ANNUAL INCREASE IN THE RATE OF
34 REIMBURSEMENT TO COMMUNITY PROVIDERS NECESSARY TO REDUCE AND
35 ELIMINATE THE DISPARITY AMOUNT AS REQUIRED UNDER SUBSECTION (D) OF THIS
36 SECTION.

1 (2) THE DEPARTMENT SHALL DETERMINE THE DISPARITY AMOUNT
2 USING DATA AND INFORMATION FROM:

3 (I) THE COMMUNITY SERVICES RATE REIMBURSEMENT
4 COMMISSION; AND

5 (II) REPORTS REQUIRED TO BE PROVIDED TO THE GENERAL
6 ASSEMBLY BY THE DEPARTMENT.

7 (D) THE DEPARTMENT SHALL INCREASE THE RATE OF REIMBURSEMENT FOR
8 COMMUNITY SERVICES PROVIDERS BY AN AMOUNT THAT:

9 (1) REDUCES THE DISPARITY AMOUNT TO 40% ON OR BEFORE JULY 1,
10 2003;

11 (2) REDUCES THE DISPARITY AMOUNT TO 20% ON OR BEFORE JULY 1,
12 2004; AND

13 (3) ELIMINATES THE DISPARITY AMOUNT ON OR BEFORE JULY 1, 2005.

14 (E) THE SECRETARY SHALL ADOPT REGULATIONS TO IMPLEMENT THIS
15 SECTION.

16 (F) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PROHIBIT THE
17 DEPARTMENT FROM ELIMINATING THE DISPARITY AMOUNT PRIOR TO JULY 1, 2005.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 June 1, 2001.