

SENATE BILL 432

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2001 Regular Session
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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

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 23, 2001

CHAPTER _____

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; requiring that certain
11 rate increases be used in a certain manner; providing for the construction of this
12 Act; defining certain terms; and generally relating to community providers of
13 services to individuals with disabilities and rate increases.

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

1 Preamble

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

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

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

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

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

18 **Article - Health - General**

19 7-307.

20 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
21 INDICATED.

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

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

28 (4) "DISPARITY AMOUNT" MEANS THE MONETARY CALCULATION OF THE
29 AVERAGE DIFFERENCE IN WAGES AND BENEFITS BETWEEN COMMUNITY DIRECT
30 SERVICE WORKERS; AND DEVELOPMENTAL DISABILITIES ASSOCIATES; OR OTHER
31 COMPARABLE POSITIONS EMPLOYED IN STATE RESIDENTIAL CENTERS.

32 (5) "RATE" MEANS THE REIMBURSEMENT RATE PAID BY THE
33 DEPARTMENT TO A COMMUNITY PROVIDER FROM THE STATE GENERAL FUND,
34 MARYLAND MEDICAL ASSISTANCE PROGRAM FUNDS, OTHER STATE OR FEDERAL
35 FUNDS, OR A COMBINATION OF FUNDS.

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

1 (C) (1) ON OR BEFORE ~~JULY~~ SEPTEMBER 1, 2001, THE DEPARTMENT SHALL
2 DETERMINE:

3 (I) THE DISPARITY AMOUNT; AND

4 (II) THE AMOUNT OF ANNUAL INCREASE IN THE RATE OF
5 REIMBURSEMENT TO COMMUNITY PROVIDERS NECESSARY TO REDUCE AND
6 ELIMINATE THE DISPARITY AMOUNT AS REQUIRED UNDER SUBSECTION (D) OF THIS
7 SECTION.

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

10 (I) THE COMMUNITY SERVICES RATE REIMBURSEMENT
11 COMMISSION; AND

12 (II) REPORTS REQUIRED TO BE PROVIDED TO THE GENERAL
13 ASSEMBLY BY THE DEPARTMENT.

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

16 (1) REDUCES THE DISPARITY AMOUNT TO ~~40%~~ 80% ON OR BEFORE JULY
17 1, ~~2003~~ 2002;

18 (2) REDUCES THE DISPARITY AMOUNT TO ~~20%~~ 60% ON OR BEFORE JULY
19 1, ~~2004~~ 2003; ~~AND~~

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

21 (3) REDUCES THE DISPARITY AMOUNT TO 40% ON OR BEFORE JULY 1,
22 2004;

23 (4) REDUCES THE DISPARITY AMOUNT TO 20% ON OR BEFORE JULY 1,
24 2005; AND

25 (5) ELIMINATES THE DISPARITY AMOUNT ON OR BEFORE JULY 1, 2006.

26 (E) THE SECRETARY SHALL ADOPT REGULATIONS TO IMPLEMENT THIS
27 SECTION.

28 (F) ALL INCREASES IN THE RATE OF REIMBURSEMENT PROVIDED FOR IN THIS
29 SECTION SHALL BE USED TO INCREASE THE COMPENSATION OF COMMUNITY
30 DIRECT SERVICE WORKERS.

31 ~~(F)~~ (G) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PROHIBIT THE
32 DEPARTMENT FROM ELIMINATING THE DISPARITY AMOUNT PRIOR TO JULY 1, ~~2005~~
33 2006.

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

