

**Department of Legislative Services**  
Maryland General Assembly  
2001 Session

**FISCAL NOTE**  
**Revised**

Senate Bill 144 (Senator Hollinger, *et al.*)

Finance

Appropriations

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**Department of Aging - Assisted Living Programs - Subsidies**

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This bill requires the Department of Aging (DOA) to provide monthly subsidies, when necessary and in accordance with available funds, to assisted living facility residents whose adjusted gross income is less than their cost of care. The monthly subsidy must meet the gap between income and cost of care up to \$650 per month.

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**Fiscal Summary**

**State Effect:** The bill would not substantively change State activities or operations.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** The Secretary of Aging is required to make maximum use of rent and other subsidies available and provide State funds to assist low-income elderly individuals to reside in assisted living programs as an alternative to more costly institutional care. Maximum levels of assistance and minimum numbers of low-income residents to be subsidized are not addressed.

**Background:** The DOA administers the Senior Assisted Living Group Home Subsidy Program which subsidizes assisted living facility costs for low-income elderly residents. In order to qualify for a subsidy, each applicant must undergo a physical assessment by the Department of Health and Mental Hygiene (DHMH).

The program's fiscal 2002 general fund budget allowance includes subsidy funds of \$3.2 million for 465 general subsidy (non-Medicaid) residents. Assuming that approximately 10% of the funds are used for local administrative costs, the current average monthly subsidy for 465 general subsidy residents is \$516.

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### **Additional Information**

**Prior Introductions:** This bill was introduced as SB 284 in the 2000 session, but received an unfavorable report by the Senate Finance Committee. A similar bill was introduced as SB 592 in the 1999 session and was also given an unfavorable report by the Senate Finance Committee.

**Cross File:** None.

**Information Source(s):** Department of Health and Mental Hygiene (Community and Public Health Administration, Office of Health Care Quality, Planning, Development, and Financing Administration), Department of Aging, Department of Human Resources, Department of Legislative Services

**Fiscal Note History:** First Reader – January 31, 2001  
cm/jr Revised – Updated Information – February 5, 2001  
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