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2002 Regular Session 2lr1392 CF 2lr0866

By: Senator Kasemeyer ntroduced and read first time: January 18, 2002 Assigned to: Finance
Committee Report: Favorable Senate action: Adopted Read second time: February 27, 2002
CHAPTER
1 AN ACT concerning
Developmental Disabilities Administration - Private Providers - Reporting Requirements
FOR the purpose of authorizing the Developmental Disabilities Administration to withhold payment from private providers, under contract with the Administration to provide community-based services to developmentally disabled individuals, for failure to correct or submit certain information; requiring the Administration to advise private providers that certain information has been submitted late or is in need of correction before withholding payment; specifying that the amount of payment that may be withheld for failure to correct or submit certain information may not exceed a certain amount; clarifying certain terms; requiring private providers to submit certain information to the Administration on or before a certain date; authorizing the Administration to impose monetary penalties on private providers for failure to comply with certain reporting requirements; and generally relating to the Developmental Disabilities Administration, private providers, and reporting requirements.
Article - Health - General Section 7-306.1 and 7-910 Annotated Code of Maryland (2000 Replacement Volume and 2001 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

24 MARYLAND, That the Laws of Maryland read as follows:

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## **SENATE BILL 230** 1 Article - Health - General 2 7-306.1. 3 (a) The Administration shall develop and implement a funding system for the 4 distribution of State funds to private providers that are under contract with the Administration to provide community-based services to individuals with disability in 6 accordance with the State plan. 7 Funds received for services that are fee-for-service or that have rates set 8 by regulation shall be subject to recovery by the Administration only for the following purposes: 10 (1) Client attendance; 11 (2) Client fees: or 12 (3) Sanctions allowed through regulations. 13 Under the funding system developed under subsection (a) of this (1) (c) 14 section, the Administration shall notify each private provider at least 30 days before 15 the beginning of the fiscal year of the billing rate or amount of funds to be paid to the 16 provider for the provision of community-based services to an individual with 17 developmental disability or a group of individuals with developmental disability for 18 the coming fiscal year. 19 A private provider may request an administrative resolution of 20 a billing rate set under paragraph (1) of this subsection except for rates set in 21 regulation. 22 Within 60 days after receipt of the provider's request, the (ii) 23 Administration shall make a decision on the request for an administrative resolution. 24 If an administrative resolution cannot be reached between the (iii) provider and the Administration, the provider may request an evidentiary hearing or 26 an oral hearing in accordance with regulations of the Department. Subject to the provisions of subsections (e), (f), and (g) of this section, the 27 28 Administration shall provide payment to private providers for the services provided 29 from the funds designated in subsection (c) of this section in accordance with the 30 following payment schedule: 31 On or before the third business day of the fiscal quarter beginning 32 July 1, 33% of the total annual amount to be paid to the provider;

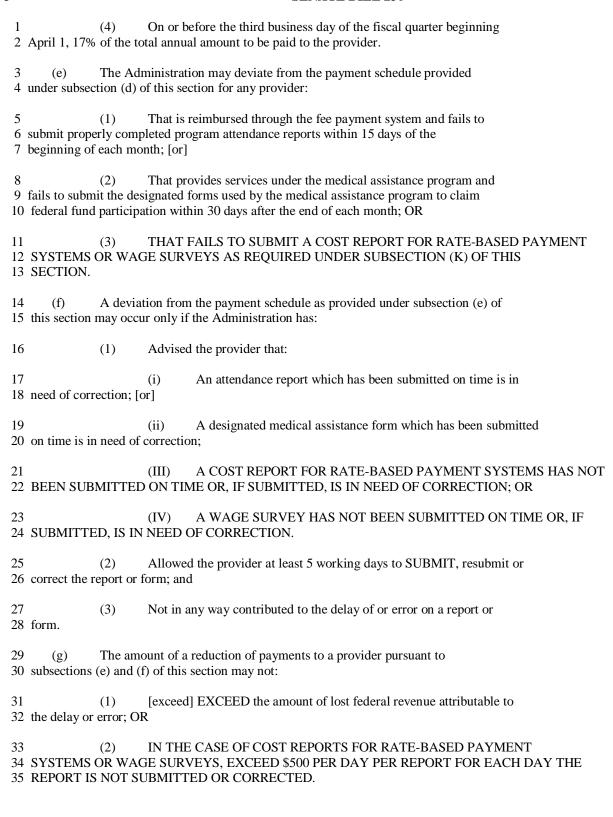
On or before the third business day of the fiscal quarter beginning

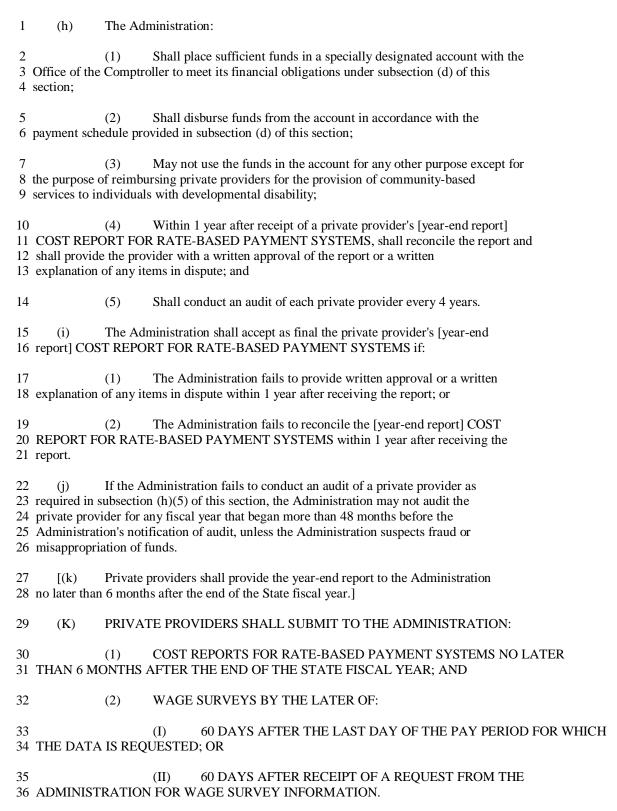
On or before the third business day of the fiscal quarter beginning

34 October 1, 25% of the total annual amount to be paid to the provider;

36 January 1, 25% of the total annual amount to be paid to the provider; and

## **SENATE BILL 230**





- 1 7-910.
- 2 (a) The Administration shall deny a license to any applicant or suspend or
- 3 revoke a license if the applicant or licensee fails to comply with the applicable laws,
- 4 rules, or regulations of this State.
- 5 (b) Any applicant or licensee who knowingly and willfully makes a false
- 6 statement in connection with an application under this subtitle shall be guilty of a
- 7 misdemeanor and upon conviction shall be subject to a fine not to exceed \$1,000, or
- 8 imprisonment not exceeding 1 year, or both.
- 9 (C) THE ADMINISTRATION MAY IMPOSE A PENALTY NOT EXCEEDING \$500 PER
- 10 DAY PER VIOLATION FOR EACH DAY A VIOLATION OCCURS ON A LICENSEE THAT
- 11 FAILS TO COMPLY WITH THE REPORTING REQUIREMENTS ESTABLISHED UNDER §
- 12 7-306.1(K) OF THIS TITLE.
- 13 [(c)] (D) Except as otherwise provided in § 10-226 of the State Government
- 14 Article, before the Administration takes any action under this section, the
- 15 Administration shall give the applicant or licensee notice and an opportunity for a
- 16 hearing.
- 17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 18 July 1, 2002.