

**Department of Legislative Services**  
 Maryland General Assembly  
 2002 Session

**FISCAL NOTE**  
**Revised**

Senate Bill 658

(Senator Ruben, *et al.*)

Finance

Appropriations

**Developmental Disabilities Administration - Supplemental Security Income -  
 Cost-of-Living Increase**

This emergency bill prohibits the Department of Health and Mental Hygiene (DHMH) from requiring a cost-of-living increase in a developmentally disabled individuals' Supplemental Security Income (SSI) benefits to be used toward the individual's contribution for residential services. Instead, individuals must be allowed to keep the cost-of-living increase as part of their personal needs allowance. The Developmental Disability Administration (DDA) may use money from the Waiting Equity List Fund to allow SSI recipients' supplemental increase to be added to individuals' personal needs allowance. DDA must reimburse the fund by July 30, 2002.

The bill sunsets June 30, 2003.

**Fiscal Summary**

**State Effect:** DHMH general fund expenditures would increase by \$279,900 in FY 2003 to reimburse the Waiting List Equity Fund for payments to residential service providers that would receive reduced contributions from individuals with developmental disabilities. General fund expenditures would not increase in future years. Revenues would not be affected.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	279,900	0	0	0	0
Net Effect	(\$279,900)	\$0	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

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## **Analysis**

**Current Law:** SSI is a federal income supplement program designed to help people who are 65 or older, blind, or disabled and who have little or no income. It provides cash to meet basic needs for food, clothing, and shelter. SSI payments are made directly to individuals who use part of their benefits to pay for a portion of the cost of residential services through DHMH's Developmental Disabilities Administration (DDA). DDA pays for the remainder of the cost of services.

The Waiting List Equity Fund may be used for providing community-based services for individuals who leave State residential centers and for individuals eligible for, but not receiving, services from DDA, with the funds remaining after each individual who leaves a State residential center is served in the community.

**Background:** DDA required the 2.6% increase in SSI benefits 3,332 developmentally disabled individuals received (an average of \$14 per person per month) beginning January 1 to be used toward their portion of the costs of residential or day program services. DDA planned to require this only during calendar 2002, the last six months of fiscal 2002, and the first six months of fiscal 2003.

DDA has not required SSI recipients receiving these services to use their increase in benefits to pay providers for services in the past five consecutive years.

**State Revenues:** The Waiting List Equity Fund will have a fiscal 2002 ending balance of \$809,838.

**State Expenditures:** DHMH general fund expenditures would increase by \$279,888 in fiscal 2003 to reimburse the Waiting List Equity Fund for DDA payments to residential service providers that would receive lower contributions from individuals with developmental disabilities receiving the services.

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## **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 1014 (Delegates Shriver and Hurson) - Appropriations.

**Information Source(s):** Department of Health and Mental Hygiene, Department of Legislative Services

**Fiscal Note History:** First Reader - February 22, 2002  
ncs/cer Revised - Senate Third Reader - March 27, 2002  
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