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By: ~~Senator Hollinger~~ **Senators Hollinger and Green**

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Committee Report: Favorable with amendments

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Medical Assistance Programs - Long-Term Care Services**

3 FOR the purpose of ~~establishing certain tests to determine if an individual is eligible~~  
4 ~~for nursing facility services~~ requiring the Department of Health and Mental  
5 Hygiene to develop certain criteria using a certain measuring instrument and a  
6 certain method to collect and assess certain information related to levels of care;  
7 requiring the Department to implement the criteria at a certain time; requiring  
8 the Department of Health and Mental Hygiene and the Department of Aging to  
9 jointly administer certain waiver services; requiring the Department of Health  
10 and Mental Hygiene to adopt certain regulations; requiring allowing certain  
11 individuals eligible for enrolled in certain waivers to make a certain election;  
12 requiring the Department to solely administer a certain waiver program;  
13 requiring the Department to make a certain designation in each county and  
14 Baltimore City; requiring the Department to develop at a certain time to remain  
15 in the waivers; requiring the Department of Health and Mental Hygiene and the  
16 Department of Aging to develop a certain plan, including the development of  
17 certain systems to provide certain services and a certain single point of entry  
18 system; requiring the Department to implement a certain licensure and  
19 inspection system; requiring the Department to authorize certain providers to  
20 directly bill the Department for certain services; authorizing the Department of  
21 Health and Mental Hygiene to designate a certain agency as a certain single  
22 point of entry for individuals applying for certain services; requiring the  
23 Department, if a certain waiver is approved on or before a certain date, to  
24 develop, on or before a certain date, a certain waiver program to provide certain  
25 home- and community-based long-term care services to certain individuals;  
26 requiring that a certain waiver include the coordination of long-term care  
27 services through a managed care organization; requiring the Department to

1 apply on or before a certain date to the federal government for ~~approval~~ of a  
2 certain waiver; requiring that a certain waiver include certain goals and  
3 objectives; authorizing the Department to offer certain waiver services  
4 statewide or in certain geographical areas that include certain jurisdictions;  
5 requiring the Department to provide certain waiver services to a certain number  
6 of individuals; authorizing the Secretary of the Department to permit certain  
7 assisted living facilities to participate in the senior assisted living subsidy;  
8 requiring the Department of Health and Mental Hygiene and the Department of  
9 Aging to conduct certain studies and to make ~~a report~~ certain reports of the  
10 results of the studies; repealing an obsolete provision of law; defining certain  
11 terms; making a certain technical correction; and generally relating to  
12 long-term care eligibility requirements for medical assistance programs.

13 BY adding to  
14 Article - Health - General  
15 Section 15-115.1 and 15-136  
16 Annotated Code of Maryland  
17 (2000 Replacement Volume and 2002 Supplement)

18 BY repealing and reenacting, with amendments,  
19 Article - Health - General  
20 Section 15-132~~(b)~~, (f), (g), (h), and (i)  
21 Annotated Code of Maryland  
22 (2000 Replacement Volume and 2002 Supplement)

23 BY repealing and reenacting, without amendments,  
24 Article 70B - Department of Aging  
25 Section 1(a)  
26 Annotated Code of Maryland  
27 (1998 Replacement Volume and 2002 Supplement)

28 BY adding to  
29 Article 70B - Department of Aging  
30 Section 1(h) ~~and 4(d)(8)~~  
31 Annotated Code of Maryland  
32 (1998 Replacement Volume and 2002 Supplement)

33 BY repealing and reenacting, with amendments,  
34 Article 70B - Department of Aging  
35 Section 4(d)~~(2), (6), and (7)~~  
36 Annotated Code of Maryland  
37 (1998 Replacement Volume and 2002 Supplement)

Preamble

2     WHEREAS, A variety of long-term care programs would allow the Maryland  
 3 Medical Assistance Program to provide a greater array of services in a more  
 4 affordable manner; and

5     WHEREAS, A managed long-term care program would improve the quality of  
 6 and access to long-term care services for community-based dually eligible  
 7 individuals and reduce costs by utilizing accountable health care delivery systems  
 8 paid on a capitated basis; and

9     WHEREAS, Services that would be covered by a managed long-term care  
 10 program would include adult day care services, adult evaluation and review services,  
 11 and personal care services, including home care services such as help with activities  
 12 of daily living, food shopping, and medical appointment transportation; and

13     WHEREAS, A managed long-term care program would create a less fragmented  
 14 and more flexible delivery system, provide incentives to reduce institutionalization,  
 15 make State spending more predictable, and conserve State resources; and

16     WHEREAS, Consistent with success achieved in other states, such as Texas and  
 17 Arizona, a managed long-term care program would help to make the delivery system  
 18 less confusing to navigate for seniors and would encourage aging in place through the  
 19 prevention of functional decline and the provision of community-based care to delay  
 20 institutionalization; and

21     WHEREAS, A managed long-term care program would provide a broader array  
 22 of services to a larger group of individuals earlier in the aging process, and enable the  
 23 State to reallocate a portion of the funds to cover a broader number of individuals  
 24 within other Maryland Medical Assistance Programs; now, therefore,

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

27                     **Article - Health - General**

28 15-115.1.

29     ~~(A) (1) IN THIS SECTION THE FOLLOWING TERMS HAVE THE MEANINGS~~  
 30 ~~INDICATED:~~

31             ~~(2) "HANDS ON ASSISTANCE" MEANS THE PHYSICAL ASSISTANCE OF~~  
 32 ~~ANOTHER PERSON WITHOUT WHICH AN INDIVIDUAL WOULD BE UNABLE TO~~  
 33 ~~PERFORM THE ACTIVITY OF DAILY LIVING.~~

34             ~~(3) "SEVERE COGNITIVE IMPAIRMENT" MEANS A LOSS OR~~  
 35 ~~DETERIORATION IN AN INDIVIDUAL'S INTELLECTUAL CAPACITY THAT IS:~~

36                     ~~(4) COMPARABLE TO AND INCLUDES ALZHEIMER'S DISEASE AND~~  
 37 ~~SIMILAR FORMS OF IRREVERSIBLE DEMENTIA; AND~~

1                   (H)    ~~MEASURED BY CLINICAL EVIDENCE AND STANDARDIZED TESTS~~  
 2 ~~THAT RELIABLY MEASURE IMPAIRMENT IN AN INDIVIDUAL'S:~~

- 3                   1.     ~~SHORT TERM OR LONG TERM MEMORY;~~  
 4                   2.     ~~ORIENTATION AS TO PEOPLE, PLACES, AND TIME; AND~~  
 5                   3.     ~~DEDUCTIVE OR ABSTRACT REASONING.~~

6                   (4)    ~~"STANDBY ASSISTANCE" MEANS THE PRESENCE OF ANOTHER~~  
 7 ~~PERSON WITHIN ARM'S REACH OF AN INDIVIDUAL THAT IS NECESSARY TO PREVENT,~~  
 8 ~~BY PHYSICAL INTERVENTION, INJURY TO THE INDIVIDUAL WHILE THE INDIVIDUAL~~  
 9 ~~IS PERFORMING AN ACTIVITY OF DAILY LIVING.~~

10                  (5)    (I)    ~~"SUBSTANTIAL SUPERVISION" MEANS CONTINUAL~~  
 11 ~~SUPERVISION BY ANOTHER PERSON THAT IS NECESSARY TO PROTECT AN~~  
 12 ~~INDIVIDUAL WITH SEVERE COGNITIVE IMPAIRMENT FROM THREATS TO HEALTH OR~~  
 13 ~~SAFETY.~~

14                  (H)    ~~"SUBSTANTIAL SUPERVISION" INCLUDES CUING BY VERBAL~~  
 15 ~~PROMPTING, GESTURING, OR OTHER DEMONSTRATIONS OR 24 HOUR SUPERVISION.~~

16                  (B)    ~~AN INDIVIDUAL SHALL BE DETERMINED MEDICALLY ELIGIBLE TO~~  
 17 ~~RECEIVE NURSING FACILITY SERVICES UNDER THE MARYLAND MEDICAL~~  
 18 ~~ASSISTANCE PROGRAM IF THE INDIVIDUAL REQUIRES:~~

19                  (1)    ~~SKILLED NURSING FACILITY CARE OR OTHER RELATED SERVICES;~~

20                  (2)    ~~REHABILITATION SERVICES; OR~~

21                  (3)    ~~HEALTH RELATED SERVICES ABOVE THE LEVEL OF ROOM AND~~  
 22 ~~BOARD THAT ARE AVAILABLE ONLY THROUGH INSTITUTIONAL FACILITIES~~  
 23 ~~INCLUDING, BUT NOT LIMITED TO, INDIVIDUALS WHO:~~

24                  (I)    1.     ~~ARE CURRENTLY UNABLE TO PERFORM AT LEAST TWO~~  
 25 ~~ACTIVITIES OF DAILY LIVING WITHOUT HANDS ON ASSISTANCE OR STANDBY~~  
 26 ~~ASSISTANCE FROM ANOTHER INDIVIDUAL; AND~~

27                  2.     ~~HAVE BEEN OR WILL BE UNABLE TO PERFORM AT LEAST~~  
 28 ~~TWO ACTIVITIES OF DAILY LIVING FOR A PERIOD OF AT LEAST 90 DAYS DUE TO A~~  
 29 ~~LOSS OF FUNCTIONAL CAPACITY; OR~~

30                  (H)    ~~NEED SUBSTANTIAL SUPERVISION FOR PROTECTION AGAINST~~  
 31 ~~THREATS TO HEALTH AND SAFETY DUE TO SEVERE COGNITIVE IMPAIRMENT.~~

32                  (A)    (1)    THE DEPARTMENT SHALL DEVELOP:

33                            (I)    CRITERIA TO DETERMINE WHEN AN INDIVIDUAL REQUIRES  
 34 THE LEVEL OF CARE PROVIDED IN A NURSING FACILITY; AND

1 (II) AN OBJECTIVE INSTRUMENT TO COLLECT AND ASSESS  
 2 INFORMATION ABOUT AN INDIVIDUAL'S CONDITION IN ORDER TO ESTABLISH IF THE  
 3 CRITERIA ARE MET.

4 (2) THE CRITERIA DEVELOPED BY THE DEPARTMENT UNDER  
 5 PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE THE NEED FOR ASSISTANCE  
 6 BASED ON BEHAVIORAL, FUNCTIONAL, OR COGNITIVE DEFECTS AND THE NEED FOR  
 7 SKILLED NURSING OR REHABILITATIVE SERVICES.

8 (3) THE DEPARTMENT SHALL IMPLEMENT THE CRITERIA:

9 (I) ON OR BEFORE JULY 1, 2004; OR

10 (II) IF IMPLEMENTATION OF THE RECOMMENDED CRITERIA  
 11 WOULD RESULT IN ADDITIONAL COSTS TO THE DEPARTMENT, SUBJECT TO THE  
 12 APPROPRIATION OF SUFFICIENT FUNDS FROM THE STATE BUDGET.

13 ~~(C)~~ (B) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE  
 14 PROVISIONS OF THIS SECTION.

15 15-132.

16 ~~(b) On or before August 1, 1999, the Department shall apply to the [Health~~  
 17 ~~Care Financing Administration] CENTERS FOR MEDICARE AND MEDICAID SERVICES~~  
 18 ~~of the United States Department of Health and Human Services for an amendment to~~  
 19 ~~the existing home and community-based services waiver (Control Number 0265.90)~~  
 20 ~~under § 1915(e) of the federal Social Security Act to receive federal matching funds for~~  
 21 ~~waiver services received by eligible medically and functionally impaired individuals~~  
 22 ~~participating in the waiver.~~

23 (f) (1) If a person determined to be eligible to receive waiver services under  
 24 this section desires to receive waiver services and an appropriate placement is  
 25 available, the Department shall authorize the placement.

26 (2) ~~EACH INDIVIDUAL ELIGIBLE FOR SERVICES UNDER ENROLLED IN~~  
 27 ~~THE WAIVER DEVELOPED UNDER THIS SECTION AND THE HOME AND~~  
 28 ~~COMMUNITY-BASED LONG-TERM CARE SERVICES OR ANY OTHER STATE WAIVER AT~~  
 29 ~~THE TIME WHEN THE WAIVER UNDER § 15-136 OF THIS SUBTITLE, OR ANY OTHER~~  
 30 ~~STATE WAIVER APPROVED BY THE CENTERS FOR MEDICARE AND MEDICAID~~  
 31 ~~SERVICES, IS IMPLEMENTED SHALL HAVE THE RIGHT TO ELECT REMAIN IN THE~~  
 32 ~~WAIVER DEVELOPED UNDER WHICH THE SERVICES WILL BE RECEIVED THIS~~  
 33 ~~SECTION OR ANY OTHER STATE WAIVER.~~

34 (g) Waiver services shall be ~~jointly~~ administered by the ~~{Departments of~~  
 35 ~~Ageing, Human Resources, and Health and Mental Hygiene} DEPARTMENT.~~

36 (H) THE DEPARTMENT AND THE DEPARTMENT OF AGING SHALL DEVELOP A  
 37 DETAILED PLAN THAT SPECIFIES:

1 ~~(1) DESIGNATE AN ENTITY IN EACH COUNTY AND BALTIMORE CITY TO~~  
 2 ~~SERVE AS THE SINGLE POINT OF ENTRY FOR INDIVIDUALS APPLYING FOR WAIVER~~  
 3 ~~SERVICES;~~

4 ~~(2) DEVELOP A STATEWIDE SINGLE POINT OF ENTRY SYSTEM TO:~~

5 ~~(1) HOW THE DEPARTMENT AND THE DEPARTMENT OF AGING WILL~~  
 6 ~~IMPLEMENT IMPROVEMENTS TO THE WAIVER, INCLUDING:~~

7 ~~(I) THE DEVELOPMENT OF A STATEWIDE SINGLE POINT OF ENTRY~~  
 8 ~~SYSTEM TO:~~

9 ~~(I)~~ 1. ACCEPT APPLICATIONS;

10 ~~(II)~~ 2. MAKE ALL ELIGIBILITY DETERMINATIONS;

11 ~~(III)~~ 3. ENROLL INDIVIDUALS IN THE WAIVER; AND

12 ~~(IV)~~ 4. PROVIDE COORDINATED WAIVER SERVICES, INCLUDING:

13 ~~1.~~ A. LEVEL OF CARE DETERMINATION;

14 ~~2.~~ B. FINANCIAL DETERMINATION;

15 ~~3.~~ C. PLAN OF CARE DETERMINATION;

16 ~~4.~~ D. CASE MANAGEMENT SERVICES; AND

17 ~~5.~~ E. OTHER SERVICES AS NEEDED UNDER THE WAIVER;

18 AND

19 ~~(3) (I) IMPLEMENT THE CREATION OF AN AUTOMATED PROVIDER~~  
 20 ~~LICENSURE AND INSPECTION SYSTEM; AND~~

21 ~~(4) AUTHORIZE PROVIDERS TO DIRECTLY BILL THE DEPARTMENT FOR~~  
 22 ~~SERVICES PROVIDED UNDER THE WAIVER~~

23 ~~(2) WHEN EACH IMPROVEMENT TO THE WAIVER WILL BE~~  
 24 ~~IMPLEMENTED;~~

25 ~~(3) ANY REGULATORY OR STATUTORY CHANGES THAT ARE NEEDED IN~~  
 26 ~~ORDER TO IMPLEMENT THE IMPROVEMENTS; AND~~

27 ~~(4) THE COST TO IMPLEMENT EACH IMPROVEMENT.~~

28 (I) THE DEPARTMENT MAY DESIGNATE THE LOCAL AREA AGENCY ON AGING  
 29 AS THE SINGLE POINT OF ENTRY UNDER SUBSECTION (H) OF THIS SECTION.

30 [(h)] ~~(I)~~ (J) The Department, in consultation with representatives of the  
 31 affected industry and advocates for waiver candidates, [and with the approval of the  
 32 Department of Aging and the Department of Human Resources,] shall adopt

1 regulations to implement this section [within 180 days of receipt of approval of the  
2 amended waiver application from the Health Care Financing Administration of the  
3 United States Department of Health and Human Services].

4 [(i)] ~~(J)~~ (K) Subject to § 2-1246 of the State Government Article, the  
5 Department shall report to the General Assembly every 6 months concerning the  
6 status of the Department's application under subsections (b) and (c) of this section.

7 15-136.

8 (A) (1) ~~ON OR BEFORE JULY 1, 2004, ON OR BEFORE DECEMBER 15, 2003, THE~~  
9 DEPARTMENT SHALL APPLY FOR A HOME- AND COMMUNITY-BASED LONG-TERM  
10 CARE SERVICES WAIVER UNDER THE FEDERAL SOCIAL SECURITY ACT.

11 (2) IF A WAIVER DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION IS  
12 APPROVED ON OR BEFORE SEPTEMBER 1, 2004, THE DEPARTMENT, ON OR BEFORE  
13 JULY 1, 2005, SHALL DEVELOP A PROGRAM DESIGNED TO INTEGRATE DELIVERY OF  
14 LONG-TERM CARE SERVICES THROUGH A MANDATORY MANAGED CARE SYSTEM FOR  
15 COMMUNITY-BASED INDIVIDUALS 60 YEARS OF AGE OR OLDER WHO ARE ELIGIBLE  
16 FOR BOTH MEDICARE AND THE MARYLAND MEDICAL ASSISTANCE PROGRAM.

17 ~~(2) ON OR BEFORE AUGUST 1, 2003, THE DEPARTMENT SHALL APPLY FOR~~  
18 ~~A HOME- AND COMMUNITY-BASED LONG-TERM CARE SERVICES WAIVER UNDER §~~  
19 ~~1915(B) AND (C) OF THE FEDERAL SOCIAL SECURITY ACT.~~

20 (B) THE SERVICES COVERED UNDER THE WAIVER DEVELOPED UNDER THIS  
21 SECTION SHALL INCLUDE THE COORDINATION OF LONG-TERM CARE SERVICES  
22 THROUGH A MANAGED CARE ORGANIZATION.

23 (C) EACH INDIVIDUAL ~~ELIGIBLE FOR SERVICES UNDER~~ ENROLLED IN THE  
24 WAIVER DEVELOPED UNDER THIS SECTION AND THE HOME- AND  
25 COMMUNITY-BASED SERVICES § 15-132 OF THIS SUBTITLE OR ANY OTHER STATE  
26 WAIVER AT THE TIME WHEN THE WAIVER DEVELOPED UNDER THIS SECTION IS  
27 IMPLEMENTED UNDER § 15-132 OF THIS SUBTITLE, OR ANY OTHER STATE WAIVER  
28 APPROVED BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES, SHALL HAVE  
29 THE RIGHT TO ELECT REMAIN IN THE WAIVER UNDER WHICH THE SERVICES WILL  
30 BE RECEIVED DEVELOPED UNDER § 15-132 OF THIS SUBTITLE OR ANY OTHER STATE  
31 WAIVER.

32 (D) INDIVIDUALS ELIGIBLE FOR SERVICES UNDER THE WAIVER DEVELOPED  
33 UNDER THIS SECTION AND A PROGRAM FOR ALL-INCLUSIVE CARE FOR THE  
34 ELDERLY APPROVED BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES,  
35 MAY ELECT TO RECEIVE SERVICES UNDER THE WAIVER DEVELOPED UNDER THIS  
36 SECTION OR AN APPROVED PROGRAM FOR ALL-INCLUSIVE CARE FOR THE ELDERLY.

37 ~~(D)~~ (E) ANY WAIVER DEVELOPED UNDER THIS SECTION SHALL INCLUDE  
38 THE FOLLOWING GOALS AND OBJECTIVES:

39 (1) INCREASING PARTICIPANT SATISFACTION;

1 (2) FORESTALLING FUNCTIONAL DECLINE;

2 (3) REDUCING MEDICAID EXPENDITURES BY ~~REDUCING~~ ENCOURAGING  
3 THE MOST APPROPRIATE UTILIZATION OF SERVICES; AND

4 (4) ENHANCING COMPLIANCE WITH THE OLMSTEAD DECISION BY  
5 OFFERING COST-EFFECTIVE COMMUNITY-BASED SERVICES IN THE MOST  
6 APPROPRIATE SETTING.

7 ~~(E)~~ (F) ~~(+)~~ THE DEPARTMENT MAY OFFER HOME- AND  
8 COMMUNITY-BASED LONG-TERM CARE SERVICES UNDER THE WAIVER DEVELOPED  
9 UNDER THIS SECTION ON A STATEWIDE BASIS OR THE DEPARTMENT MAY LIMIT THE  
10 GEOGRAPHICAL AREA TO INCLUDE AT LEAST THE ENTIRE AREAS OF BALTIMORE  
11 CITY AND BALTIMORE COUNTY.

12 ~~(2) THE DEPARTMENT SHALL PROVIDE HOME- AND COMMUNITY-BASED~~  
13 ~~LONG-TERM CARE SERVICES UNDER THE WAIVER DEVELOPED UNDER THIS SECTION~~  
14 ~~TO NO LESS THAN 30,000 UNDUPLICATED INDIVIDUALS.~~

15 (G) THE MANAGED CARE ORGANIZATION SELECTED TO COORDINATE  
16 LONG-TERM SERVICES UNDER THE WAIVER DEVELOPED UNDER THIS SECTION  
17 SHALL:

18 (1) REIMBURSE NURSING HOMES AT THE RATE, ADJUSTED FOR THE  
19 CASE-MIX OF THE WAIVER SUBSCRIBER, DETERMINED BY THE DEPARTMENT FOR  
20 THE MEDICAL ASSISTANCE PROGRAM;

21 (2) REIMBURSE NURSING HOMES IN ACCORDANCE WITH THE  
22 DEPARTMENT'S POLICY ON LEAVE OF ABSENCE AS PROVIDED UNDER § 15-117 OF  
23 THIS SUBTITLE; AND

24 (3) REIMBURSE NURSING HOMES FOR A WAIVER SUBSCRIBER'S CARE IN  
25 A TIMELY MANNER.

26 **Article 70B - Department of Aging**

27 1.

28 (a) In this article the following words have the meanings indicated.

29 (H) "SENIOR ASSISTED LIVING SUBSIDY" MEANS A SUBSIDY PROVIDED TO  
30 ELIGIBLE SENIORS LIVING IN ANY ASSISTED LIVING FACILITY WHERE THE ASSISTED  
31 LIVING FACILITY HAS ENTERED INTO AN AGREEMENT WITH THE STATE  
32 DEPARTMENT OF AGING OR ITS DESIGNEE TO PARTICIPATE IN THE SENIOR ASSISTED  
33 LIVING SUBSIDY PROGRAM AND IS LICENSED UNDER TITLE 19, SUBTITLE 18 OF THE  
34 HEALTH - GENERAL ARTICLE.



1 4.

2 (d) (1) With respect to assisted living programs, as defined under § 19-1801  
3 of the Health - General Article, the Secretary shall:

4 [(1)] (I) Develop assisted living programs for the elderly, in conjunction  
5 with any public or private profit or nonprofit corporation or any State or federal  
6 agency;

7 ~~(2)~~ (II) Make maximum use of rent and other subsidies, INCLUDING  
8 THE SENIOR ASSISTED LIVING SUBSIDY, available from federal and State sources and  
9 provide for subsidies necessary from State general funds to assist low income elderly  
10 individuals to reside in assisted living programs as an alternative to more costly, but  
11 not required, institutional care, including, when necessary and in accordance with  
12 available funds, monthly subsidies for residents of assisted living programs whose  
13 adjusted gross annual income is less than their cost of care for assisted living services,  
14 provided that the subsidies meet the gap between income and cost of care to a  
15 maximum of \$650 per month;

16 [(3)] (III) Find sponsors for assisted living programs;

17 [(4)] (IV) Assist developers in formulating design concepts and meeting  
18 program needs;

19 [(5)] (V) When necessary and in accordance with available funds,  
20 provide subsidies for congregate meals, housekeeping, and personal services for  
21 assisted living programs and develop eligibility requirements in connection with  
22 these subsidies;

23 ~~(6)~~ (VI) Adopt regulations governing eligibility requirements for  
24 subsidies; [and]

25 ~~(7)~~ (VII) Review the compliance of assisted living programs with the  
26 regulations adopted by the Secretary of Health and Mental Hygiene for licensing  
27 these programs to operate in the State; AND

28 ~~(8) (VIII) REGARDLESS OF THE NUMBER OF BEDS AT AN ASSISTED~~  
29 ~~LIVING FACILITY, PERMIT ANY AND ALL ASSISTED LIVING FACILITIES, AT THE~~  
30 ~~OPTION OF THE ASSISTED LIVING IF ADDITIONAL FUNDS ARE APPROPRIATED TO THE~~  
31 ~~DEPARTMENT OF AGING FOR AN EXPANDED SENIOR ASSISTED LIVING SUBSIDY~~  
32 ~~PROGRAM, PERMIT AN ASSISTED LIVING FACILITY, REGARDLESS OF THE NUMBER OF~~  
33 ~~BEDS IN THE FACILITY, TO PARTICIPATE IN THE SENIOR ASSISTED LIVING SUBSIDY.~~

34 ~~SECTION 2. AND BE IT FURTHER ENACTED, That the Department of~~  
35 ~~Health and Mental Hygiene, in consultation with the assisted living industry, shall~~  
36 ~~develop a methodology to establish an annual rate setting formula based on actual~~  
37 ~~costs for assisted living services under the Home and Community Based Services~~  
38 ~~Waiver for Older Adults. The Department shall report its findings and~~  
39 ~~recommendations to the Governor and, subject to § 2-1246 of the State Government~~

1 Article, to the Senate Finance Committee and the House Health and Government  
2 Operations Committee on or before December 1, 2003.

3 SECTION ~~3~~ 2. AND BE IT FURTHER ENACTED, That the Department of  
4 Health and Mental Hygiene and the Department of Aging, shall develop a plan to  
5 assist local entities under § 15-132(h) of the Health - General Article, as added by  
6 this Act, in recruiting staff, assisting with enrollment services, and monitoring  
7 providers, and for updating the provider system to account for differences in provider  
8 size and type. The Department shall report its findings and recommendations to the  
9 Governor and, subject to § 2-1246 of the State Government Article, to the Senate  
10 Finance Committee and the House Health and Government Operations Committee on  
11 or before December 1, 2003.

12 SECTION 3. AND BE IT FURTHER ENACTED, That:

13 (a) The Department of Health and Mental Hygiene shall examine long-term  
14 care programs in other states that have level of care standards comparable to the  
15 level of care standards authorized under Section 1 of this Act to determine the fiscal  
16 impact of the services on the nursing home industry and medical day care in the other  
17 states, including nursing homes in the community-based waiver.

18 (b) The Department shall report its findings and recommendations to the  
19 General Assembly, in accordance with § 2-1246 of the State Government Article, on or  
20 before December 1, 2003.

21 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take  
22 effect July 1, 2003.