

Department of Legislative Services
 Maryland General Assembly
 2004 Session

FISCAL AND POLICY NOTE
Revised

House Bill 475

(Delegate Conway, *et al.*)

Health and Government Operations

Finance

Individuals with Developmental Disabilities - Respite Care

This bill requires State residential centers to provide respite care to individuals with developmental disabilities for families caring for those persons in their home, who have been approved to receive respite care by the Developmental Disabilities Administration, and sets the percentage of beds reserved for respite care. The Governor must include a general fund appropriation in the annual budget bill to fund respite care services in a State residential center or a community setting.

The general fund appropriation must be in addition to and may not supplant already budgeted respite care funds. No funds may be transferred from community services for individuals with disabilities to pay for State residential center respite care services.

The bill terminates September 30, 2007.

Fiscal Summary

State Effect: No effect in FY 2005. General fund expenditures could increase by \$220,300 in FY 2006 for increased staff expenditures and operating costs at one Department of Health and Mental Hygiene (DHMH) facility for half-year utilization of respite care services. Future years reflect half-year respite services utilization, inflation, and the bill terminating September 30, 2007.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	220,300	230,800	60,500	0
Net Effect	\$0	(\$220,300)	(\$230,800)	(\$60,500)	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: Beginning in fiscal 2006: (1) the Holly Center, the Potomac Center, and the Brandenburg Center must each reserve not more than 4% of its total beds for respite care; and (2) the Rosewood Center must reserve at least 2% but not more than 4% of its total beds for respite care, as under current law. Families caring for individuals with developmental disabilities in their homes must have a choice of obtaining respite care in a State residential center or a community setting.

Also beginning in fiscal 2006, DHMH must include families' satisfaction with State residential center respite care services in its managing for results indicators submitted with its annual budget request.

DHMH must include contact information for each of the four State residential centers on the Developmental Disabilities Administration web site.

DHMH must study the demand for respite care beds in State residential centers and determine how many beds could potentially be reserved for respite care. DHMH must report on the study's results to the Senate Finance Committee and the House Health and Government Operations Committee by January 1, 2007.

Current Law: Each State residential center must reserve at least 2% but not more than 4% of its total beds for respite care. Respite care is defined as care for an individual with mental retardation in a State residential center to provide relief for the person with whom the individual ordinarily lives. Respite care may not exceed 45 days within any one-year period or 28 consecutive days.

Background: There are four State residential facilities for the developmentally disabled, with a total of 609 licensed beds: the Rosewood Center in Owings Mills, 275 licensed beds; the Holly Center in Salisbury, 195 licensed beds; the Potomac Center in Hagerstown, 94 licensed beds; and the Joseph D. Brandenburg Center in Cumberland, 45 licensed beds. The actual number of individuals staying at these facilities is lower. Although under statute, approximately 2% of the institutions' total beds are supposed to be reserved for respite care, few people are actually using these services. For example, in fiscal 2003, 21 people used State respite care services.

State Expenditures: No effect in fiscal 2005. General fund expenditures could increase by an estimated \$220,303 in fiscal 2006, which accounts for the requirement that DHMH must begin reserving not more than 4% of its beds at the Holly Center, the Potomac Center, and the Brandenburg Center for respite care beginning in fiscal 2006, 14 total licensed beds at the four facilities of which 11 could be occupied without increasing expenditures to provide care. Expenditures would increase to care for the individuals filling the three other reserved respite beds for an estimated 548 days annually, assuming half-year utilization. This estimate reflects the cost of increased salaries for existing staff who are working more hours to care for the additional people and for increased operational expenses including pharmaceuticals, food, supplies, and housekeeping costs. The information and assumptions used in calculating the estimate are stated below:

- Rosewood would not be affected by this bill;
- a total of eight respite beds reserved at Holly, of which five could be occupied by individuals getting respite care without increasing expenditures to provide care;
- a total of four respite beds reserved at Potomac and two respite beds at Brandenburg, of which all could be occupied with individuals getting respite care without increasing expenditures to provide care;
- \$402 per diem cost for each individual at Holly; and
- half-year utilization of respite beds at each institution.

Salaries and Fringe Benefits	\$165,227
Operating Expenses	<u>55,076</u>
Total FY 2006 State Expenditures	\$220,303

Future year expenditures reflect: (1) 6% increase for salaries and fringe benefits; (2) 1% annual increases in ongoing operating expenses; and (3) the bill terminating September 30, 2007.

Additional Information

Prior Introductions: None.

Cross File: SB 338 (Senator Stolfus) – Finance.

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

Fiscal Note History: First Reader - February 10, 2004
mll/jr Revised - Other - February 22, 2004
Revised - House Third Reader - April 2, 2004
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