

Department of Legislative Services
 Maryland General Assembly
 2005 Session

FISCAL AND POLICY NOTE

House Bill 1425 (Delegate McComas)
 Health and Government Operations

Assisted Living Facilities - Adult Family Homes - Evaluation of Care Provided

This bill requires the Office of Health Care Quality (OHCQ) Assisted Living Forum in the Department of Health and Mental Hygiene (DHMH) to conduct an evaluation of the effectiveness of care provided by Adult Family Homes in Maryland and submit a report to the General Assembly by January 1, 2006.

An adult family home is a private residence where one to four individuals who are dependent, elderly, or have disabilities live and receive care and services from a care provider who is not related to the individuals by blood, adoption, or marriage. The report must address and make recommendations relating to specified issues.

The bill takes effect June 1, 2005 and terminates January 1, 2006.

Fiscal Summary

State Effect: DHMH general fund expenditures could increase by \$105,800 in FY 2006 only. No effect on revenues.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	105,800	0	0	0	0
Net Effect	(\$105,800)	\$0	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: OHCQ surveys assisted living programs to ensure quality of care and adherence to licensure requirements.

Background: Maryland established its Assisted Living Program in 1996. DHMH began the extensive process of evaluating the program in 2003 by convening a series of meetings with interested parties and stakeholders to provide advice to DHMH and assist in the evaluation of assisted living in the State. The result was the formation of a workgroup or an Assisted Living Forum (ALF). There is no set membership and its meetings are open to the public. All stakeholders, interested parties, consumers, and members of the public are encouraged to participate and comment on all stages of the evaluation.

In 2003, ALF evaluated several areas of assisted living, including the certification of assisted living managers and the differences in small and large providers. In 2004, ALF was to evaluate standards for specialty units, training requirements in small to mid-sized programs, quality standards for mid-sized programs, and methods for improving the efficiency of the regulatory process. The results of this evaluation are not readily available.

State Fiscal Effect: DHMH general fund expenditures could increase by \$105,815 in fiscal 2006 only, which accounts for the bill's June 1, 2005 effective date and January 1, 2006 termination date. This estimate reflects the cost of hiring one contractual health facility nurse surveyor, one contractual health policy analyst, and one contractual office secretary within OHCQ to collect and evaluate data, and report recommendations. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$83,281
Operating Expenses	<u>22,534</u>
Total FY 2006 State Expenditures	\$105,815

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 18, 2005
mam/jr

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