

HB1034/406288/1

BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL 1034
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Waldstreicher” and substitute “Waldstreicher, Hixson, Hammen, Pendergrass, Elliott, Jenkins, Krebs, McDonough, Morhaim, Nathan-Pulliam, Reznik, Riley, Tarrant, and V. Turner”; strike beginning with “develop” in line 5 down through “providers” in line 7 and substitute “determine a weighted average cost structure of certain developmental disabilities service providers and community mental health services providers in a certain manner”; in line 8, strike “update formula” and substitute “annual inflationary cost adjustment”; in line 11, strike “using a certain update formula”; in line 12, after “year;” insert “requiring the Department to ensure that a certain annual inflationary cost adjustment is equivalent to certain other annual inflationary cost adjustments by using a certain weighted average cost structure; providing that certain annual inflationary cost adjustments used to establish a certain annual inflationary cost adjustment may not be less than a certain percentage; providing that a certain annual inflationary cost adjustment may not exceed a certain percentage;”; and in line 13, after “providers;” insert “requiring the Department to conduct a certain study in consultation with certain stakeholders and to report its findings and recommendations to the General Assembly on or before certain dates; providing for the termination of this Act;”.

AMENDMENT NO. 2

On page 2, strike beginning with “Develop” in line 18 down through “BY” in line 23 and substitute “**DETERMINE A WEIGHTED AVERAGE COST STRUCTURE OF PROVIDERS BY**”; in line 26, after the semicolon insert “**AND**”; and strike beginning with the second “AND” in line 29 down through the semicolon in line 33.

On page 3, in line 16, strike “UPDATE FORMULA” and substitute “**ANNUAL INFLATIONARY COST ADJUSTMENT**”; in line 17, strike “§ 13-806” and substitute “§

(Over)

16-201.2(D)”; in the same line, strike “SUBTITLE” and substitute “ARTICLE”; and strike beginning with “methodologies” in line 25 down through the comma in line 26 and substitute “WEIGHTED AVERAGE COST STRUCTURE OF PROVIDERS”.

AMENDMENT NO. 3

On page 4, strike beginning with “using” in line 24 down through “Commission” in line 26; after line 26, insert:

“(2) THE DEPARTMENT SHALL ESTABLISH AN ANNUAL INFLATIONARY COST ADJUSTMENT FOR PROVIDERS THAT SHALL BE ALIGNED WITH THE ANNUAL COST ADJUSTMENTS FOR UNITS OF STATE GOVERNMENT IN THE GOVERNOR’S PROPOSED BUDGET.

“(3) SUBJECT TO PARAGRAPHS (4) AND (5) OF THIS SUBSECTION, THE DEPARTMENT SHALL ENSURE THAT THE ANNUAL INFLATIONARY COST ADJUSTMENT FOR PROVIDERS IS EQUIVALENT TO THE ANNUAL INFLATIONARY COST ADJUSTMENTS FOR CATEGORIES OF COSTS FOR UNITS OF STATE GOVERNMENT IN THE GOVERNOR’S PROPOSED BUDGET BY USING THE WEIGHTED AVERAGE COST STRUCTURE SET FORTH IN § 13-806(B)(1) OF THIS ARTICLE.

“(4) THE ANNUAL INFLATIONARY COST ADJUSTMENTS FOR CATEGORIES OF COSTS FOR UNITS OF STATE GOVERNMENT USED TO ESTABLISH THE ANNUAL INFLATIONARY COST ADJUSTMENT FOR PROVIDERS MAY NOT BE LESS THAN 0%.

“(5) THE ANNUAL INFLATIONARY COST ADJUSTMENT FOR PROVIDERS MAY NOT EXCEED A MAXIMUM ADJUSTMENT OF 4%.”;

strike in their entirety lines 27 through 30, inclusive; and in line 31, strike “(3)” and substitute “(6)”.

AMENDMENT NO. 4

On page 4, after line 34, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That the Department of Health and Mental Hygiene shall:

(a) (1) conduct a study, in consultation with community services stakeholders, including the Maryland Association of Community Services and the Community Behavioral Health Association of Maryland, for purposes of recommending a plan to develop, and a timeline to implement, a rate-setting methodology for community developmental disabilities and mental health services providers that would:

(i) promote the fiscally sound and efficient operation of community services providers; and

(ii) promote the highest level of quality of care for individuals with developmental disabilities and mental illness.

(2) include in the study an analysis of:

(i) the operating costs of community services providers;

(ii) the ability of community services providers to attract and retain a high quality work force;

(iii) any appropriate and feasible incentives for high quality performance of community services providers;

(Over)

(iv) any capital infrastructure needs of community services providers;

(v) transportation costs of community services providers;

(vi) the appropriate future role of the Community Services Reimbursement Rate Commission and other entities involved in State rate-setting processes; and

(vii) any other issues related to the efficient and effective provision of community services; and

(b) (1) on or before December 1, 2012, report its preliminary findings and recommendations to the General Assembly, in accordance with § 2-1246 of the State Government Article; and

(2) on or before January 1, 2013, report its findings and recommendations to the General Assembly, in accordance with § 2-1246 of the State Government Article.”.

AMENDMENT NO. 5

On page 5, in line 1, strike “2.” and substitute “3.”; and in line 2, after “2010.” insert “It shall remain effective for a period of 5 years and 9 months and, at the end of June 30, 2016, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.”.