

SENATE BILL 905

J1, L1

4lr2840

By: **Senator Middleton**

Introduced and read first time: January 31, 2014

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Community-Based Developmental Disabilities and Mental Health Services**
3 **Providers – County Minimum Wage Reimbursement**

4 FOR the purpose of requiring the Department of Health and Mental Hygiene, under
5 certain circumstances, to reimburse certain providers at a rate sufficient to
6 ensure that the hourly wage paid to certain workers is not less than a certain
7 percentage above a certain minimum wage; requiring the Department, under
8 certain circumstances, to notify a certain county of the amount the county is
9 required to reimburse the Department under a certain provision of this Act;
10 requiring a county, under certain circumstances, to reimburse the Department
11 for the difference between certain reimbursement rates paid to certain
12 providers; requiring that the amount a county reimburses the Department
13 under a certain provision of this Act be used to pay an hourly wage to certain
14 workers that is not less than a certain percentage above a certain minimum
15 wage; defining certain terms; and generally relating to reimbursement rates for
16 community-based developmental disability and mental health service
17 providers.

18 BY repealing and reenacting, with amendments,
19 Article – Health – General
20 Section 7–307
21 Annotated Code of Maryland
22 (2009 Replacement Volume and 2013 Supplement)

23 BY adding to
24 Article – Health – General
25 Section 16–201.3
26 Annotated Code of Maryland
27 (2009 Replacement Volume and 2013 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Health – General**

4 7–307.

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) “Community provider” means a community–based agency or
7 program funded by the Administration to serve individuals with developmental
8 disabilities.

9 (3) “Community direct service worker” means an employee of a
10 community provider that provides treatment or services to developmentally disabled
11 individuals.

12 (4) “Disparity amount” means the monetary calculation of the average
13 difference in wages and benefits between community direct service workers and
14 developmental disabilities associates or other comparable employees in State
15 residential centers.

16 (5) “Rate” means the reimbursement rate paid by the Department to a
17 community provider from the State General Fund, Maryland Medical Assistance
18 Program funds, other State or federal funds, or a combination of funds.

19 (b) Notwithstanding the provisions of this title, the Department shall
20 reimburse community providers as provided in this section.

21 (c) (1) On or before September 1, 2001, the Department shall determine:

22 (i) The disparity amount; and

23 (ii) The amount of annual increase in the rate of reimbursement
24 to community providers necessary to reduce and eliminate the disparity amount as
25 required under subsection (d) of this section.

26 (2) The Department shall determine the disparity amount using data
27 and information from:

28 (i) The Community Services Rate Reimbursement Commission;
29 and

30 (ii) Reports required to be provided to the General Assembly by
31 the Department.

1 (d) The Department shall increase the rate of reimbursement for community
2 services providers by an amount that:

- 3 (1) Reduces the disparity amount to 80% on or before July 1, 2002;
4 (2) Reduces the disparity amount to 62% on or before July 1, 2003;
5 (3) Reduces the disparity amount to 40% on or before July 1, 2004;
6 (4) Reduces the disparity amount to 20% on or before July 1, 2005; and
7 (5) Eliminates the disparity amount on or before July 1, 2006.

8 (e) The Secretary shall adopt regulations to implement this section.

9 (f) All increases in the rate of reimbursement provided for in this section
10 shall be used to increase the compensation of community direct service workers.

11 (g) Nothing in this section shall be construed to prohibit the Department
12 from eliminating the disparity amount prior to July 1, 2006.

13 **(H) (1) IF A COUNTY ESTABLISHES A COUNTY MINIMUM WAGE RATE**
14 **THAT IS HIGHER THAN THE MINIMUM WAGE RATE REQUIRED UNDER § 3-413 OF**
15 **THE LABOR AND EMPLOYMENT ARTICLE, THE DEPARTMENT SHALL:**

16 **(I) REIMBURSE COMMUNITY PROVIDERS LOCATED IN THE**
17 **COUNTY AT A RATE SUFFICIENT TO ENSURE THAT THE HOURLY WAGE PAID TO**
18 **COMMUNITY DIRECT SERVICE WORKERS IN THE COUNTY IS NOT LESS THAN 50%**
19 **ABOVE THE COUNTY MINIMUM WAGE RATE; AND**

20 **(II) NOTIFY THE COUNTY OF THE AMOUNT THE COUNTY IS**
21 **REQUIRED TO REIMBURSE THE DEPARTMENT UNDER PARAGRAPH (2) OF THIS**
22 **SUBSECTION.**

23 **(2) THE COUNTY THAT ESTABLISHED THE COUNTY MINIMUM**
24 **WAGE RATE AS DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION SHALL**
25 **REIMBURSE THE DEPARTMENT FOR THE DIFFERENCE BETWEEN:**

26 **(I) THE REIMBURSEMENT RATES THE DEPARTMENT IS**
27 **REQUIRED TO PAY TO COMMUNITY PROVIDERS LOCATED IN THE COUNTY**
28 **UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION; AND**

29 **(II) THE REIMBURSEMENT RATES THAT THE DEPARTMENT**
30 **PAYS COMMUNITY PROVIDERS THAT ARE LOCATED OUTSIDE OF THE COUNTY.**

1 **(3) THE AMOUNT THAT A COUNTY REIMBURSES THE**
2 **DEPARTMENT UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL BE USED TO**
3 **PAY AN HOURLY WAGE TO PARAPROFESSIONAL DIRECT SERVICE WORKERS**
4 **THAT IS NOT LESS THAN 50% ABOVE THE COUNTY MINIMUM WAGE.**

5 **16-201.3.**

6 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
7 **MEANINGS INDICATED.**

8 **(2) “COMMUNITY MENTAL HEALTH SERVICES PROVIDER” HAS**
9 **THE MEANING STATED IN § 16-201.2 OF THIS SUBTITLE.**

10 **(3) “PARAPROFESSIONAL DIRECT SERVICE WORKER” MEANS A**
11 **PARAPROFESSIONAL EMPLOYEE OF A COMMUNITY MENTAL HEALTH SERVICES**
12 **PROVIDER WHO IS PAID AN HOURLY WAGE.**

13 **(B) IF A COUNTY ESTABLISHES A COUNTY MINIMUM WAGE RATE THAT IS**
14 **HIGHER THAN THE MINIMUM WAGE REQUIRED UNDER § 3-413 OF THE LABOR**
15 **AND EMPLOYMENT ARTICLE, THE DEPARTMENT SHALL:**

16 **(1) REIMBURSE COMMUNITY MENTAL HEALTH SERVICES**
17 **PROVIDERS LOCATED IN THE COUNTY AT A RATE SUFFICIENT TO ENSURE THAT**
18 **THE HOURLY WAGE PAID TO PARAPROFESSIONAL DIRECT SERVICE WORKERS IN**
19 **THE COUNTY IS NOT LESS THAN 50% ABOVE THE COUNTY MINIMUM WAGE RATE;**
20 **AND**

21 **(2) NOTIFY THE COUNTY OF THE AMOUNT THE COUNTY IS**
22 **REQUIRED TO PAY TO THE ADMINISTRATION UNDER SUBSECTION (C) OF THIS**
23 **SECTION.**

24 **(C) THE COUNTY THAT ESTABLISHED THE COUNTY MINIMUM WAGE**
25 **RATE AS DESCRIBED IN SUBSECTION (B) OF THIS SECTION SHALL REIMBURSE**
26 **THE DEPARTMENT FOR THE DIFFERENCE BETWEEN:**

27 **(1) THE REIMBURSEMENT RATES THE DEPARTMENT IS**
28 **REQUIRED TO PAY TO COMMUNITY MENTAL HEALTH SERVICES PROVIDERS**
29 **LOCATED IN THE COUNTY UNDER SUBSECTION (B) OF THIS SECTION; AND**

30 **(2) THE REIMBURSEMENT RATES THAT THE DEPARTMENT PAYS**
31 **COMMUNITY MENTAL HEALTH SERVICES PROVIDERS THAT ARE LOCATED**
32 **OUTSIDE OF THE COUNTY.**

1 **(D) THE AMOUNT THAT A COUNTY REIMBURSES THE DEPARTMENT**
2 **UNDER SUBSECTION (C) OF THIS SECTION SHALL BE USED TO PAY AN HOURLY**
3 **WAGE TO PARAPROFESSIONAL DIRECT SERVICE WORKERS THAT IS NOT LESS**
4 **THAN 50% ABOVE THE COUNTY MINIMUM WAGE.**

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 October 1, 2014.