

Department of Legislative Services  
Maryland General Assembly  
2015 Session

FISCAL AND POLICY NOTE  
Revised

House Bill 68 (The Speaker)(By Request - Department of Legislative Services)

Health and Government Operations

Finance

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State Board of Examiners of Nursing Home Administrators - Sunset Extension  
and Program Evaluation

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This bill repeals the termination date for the State Board of Examiners of Nursing Home Administrators (BENHA) and requires a preliminary sunset evaluation of the board to be conducted by December 15, 2024.

The bill takes effect July 1, 2015.

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Fiscal Summary

**State Effect:** General fund revenues and expenditures for BENHA are maintained beyond FY 2017. The FY 2016 budget includes \$200,103 in general funds for the operation of the board.

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Current Law/Background:**

*Maryland Program Evaluation Act*

BENHA is among approximately 70 regulatory entities and activities currently subject to periodic evaluation under the Maryland Program Evaluation Act. The Act establishes a

process better known as “sunset review” as most agencies evaluated are also subject to termination, including BENHA, which is scheduled to terminate July 1, 2017.

The sunset review process traditionally begins with a preliminary evaluation conducted by the Department of Legislative Services (DLS) on behalf of the Legislative Policy Committee (LPC), although a few entities are subject to direct full evaluation. LPC decides whether to waive an agency from further (or full) evaluation. If waived, legislation to reauthorize the agency typically is enacted. Otherwise, a full evaluation usually is undertaken the following year.

DLS conducted a preliminary evaluation of BENHA in 2014. DLS found that the board functions well to fulfill federally mandated requirements and recommended that LPC waive the board from full evaluation. As termination of the board would put approximately \$571.5 million in federal funding for Maryland nursing homes at risk, DLS recommended that the board’s termination date be repealed but the evaluation requirement be retained, with a preliminary evaluation undertaken in 10 years to ensure that the board continues to operate well. This bill implements these recommendations.

A copy of the DLS sunset report on BENHA can be found [here](#).

#### *State Board of Examiners of Nursing Home Administrators*

Federal law requires that both nursing homes and nursing home administrators in all states be regulated. In Maryland, 233 nursing homes are licensed and regulated by the Office of Health Care Quality in the Department of Health and Mental Hygiene. Nursing home administrators, those individuals responsible for the daily management of nursing homes, are licensed and regulated by BENHA. BENHA reported having oversight of 515 active nursing home administrator full licensees and 51 inactive licensees as of June 30, 2014.

BENHA comprises 14 members (6 licensed nursing home administrators; 2 individuals actively engaged in professions concerned with the care of the chronically ill, infirm, or aged; 2 consumer members; 1 geriatric physician or nurse practitioner; 1 geriatric social worker; the State Long-Term Care Ombudsman, and 1 *ex-officio* member from the Office of Health Care Quality). Staff includes one full-time executive director and one part-time deputy director. Other shared personnel support the board, including an assistant Attorney General, an investigator, a regulations coordinator, and fiscal and information technology personnel.

## Additional Information

**Prior Introductions:** None.

**Cross File:** SB 59 (The President)(By Request - Department of Legislative Services) - Finance.

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

**Fiscal Note History:** First Reader - February 2, 2015  
md/jc Revised - Updated Budget Information - May 8, 2015

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