HB 1181

Department of Legislative Services

Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

House Bill 1181 (Delegate Morgan, *et al.*)
Health and Government Operations Finance

Maryland Medical Assistance Program - Determinations of Eligibility for Long-Term Care Services - Reports and Meetings

This bill requires the Department of Health and Mental Hygiene (DHMH), in consultation with the Department of Human Resources (DHR), to submit specified quarterly reports regarding Medicaid long-term care eligibility determinations beginning October 1, 2016. DHMH, in collaboration with DHR, must also conduct quarterly meetings with interested stakeholders to discuss the reports and develop strategies to resolve ongoing issues with and delays in Medicaid long-term care eligibility determinations.

The bill takes effect July 1, 2016, and terminates December 31, 2018.

Fiscal Summary

State Effect: DHMH and DHR can submit the required reports and convene the required meetings with stakeholders using existing budgeted resources. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: DHMH must submit quarterly reports to specified committees of the General Assembly on the State's progress in determining the eligibility of applicants for Medicaid long-term care services within 30 days after the filing of applications. The reports must include specified information, including the number of new applications filed each month, information on pending eligibility cases, steps being taken by the State to

achieve compliance with the 30-day eligibility determination requirement, and information on technological improvements.

Current Law/Background: Medicaid provides health care coverage to children, pregnant women, elderly or disabled individuals, and indigent parents who pass certain income and asset tests. DHMH is responsible for administering and overseeing Medicaid and determines the eligibility rules. DHR is responsible for management of the Client Automated Resource and Eligibility System, the computer system for most eligibility information (better known as CARES), and the initial determination and annual redetermination of eligibility for many Medicaid programs, including long-term care.

Applications for Medicaid must be processed within 30 days, or 60 days if a disability determination is necessary. Federal regulations require that Medicaid long-term care applications be processed within 45 days; however, long-term care applicants have up to six months to provide proof of income and resources. According to DHR, the *average* number of days to process approvals of long-term care applications statewide has declined by 42% in the last five years to a low of 52 days in November 2015. Even so, almost 250 applications in any given month have been pending for more than 90 days.

In October 2015, DHR's Bureau of Long-Term Care initiated a pilot project to decrease the number of denied applications due to missing documentation. DHR has mapped the long-term care application process and identified bottlenecks and areas for streamlining. According to DHR, the largest barrier to rapid eligibility determination is asset verification. DHR advises that it is fast-tracking acquisition of a web-based automated asset verification service, which could be up and running within the year.

Additional Information

Prior Introductions: None.

Cross File: SB 939 (Senators Madaleno and Raskin) - Finance.

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

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