

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 685 (Delegate Krimm)
Health and Government Operations

Department of Aging - Comprehensive Plan for the Aging Population

This bill requires the Maryland Department of Aging (MDoA) to develop a comprehensive long-term plan to address the impacts and needs of the State's aging population, in consultation with specified State agencies. The plan must include (1) a summary of the existing and projected impacts and needs of the State's aging population; (2) a description of existing and projected resource or service gaps; (3) recommendations for policy or program changes; and (4) benchmarks for measuring progress in implementing the recommendations. MDoA must submit a progress report on development of the plan to the General Assembly by December 31, 2016, and annually thereafter until the plan is complete. Once complete, the plan must be submitted to the Governor and the General Assembly. MDoA is required to continue to consult with specified units of the State after the plan is complete, evaluate the implementation of the plan using the identified benchmarks, and update the plan annually.

Fiscal Summary

State Effect: General fund expenditures increase to the extent outside consultants with specialized subject matter expertise are required to develop elements of the comprehensive plan, as discussed below. MDoA and other affected State agencies can otherwise handle the bill's requirements with existing resources. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: In developing the comprehensive plan, MDoA is required to examine existing and projected impacts of the aging population on:

- the economy, the workforce, and businesses;
- fiscal policies;
- Medicaid and other safety-net programs;
- transportation needs;
- housing needs;
- public and private health care services;
- volunteer resources; and
- any other relevant programs or services.

MDoA is also required to:

- identify existing and projected resource or service gaps;
- consider whether there may be advantages in providing some services for seniors on a regional basis;
- evaluate measures to encourage retirement preparation and improve the financial security of seniors;
- develop recommendations for policy or program changes to address the identified impacts and needs; and
- identify benchmarks for measuring progress in implementing the recommendations.

Current Law/Background: MDoA receives State general funds as approved by the General Assembly and federal funds through the Older Americans Act, Medicaid, and other sources to carry out its mission.

Generally MDoA is tasked with:

- administering programs mandated by the federal government;
- establishing priorities for meeting the needs of Maryland's senior citizens;
- evaluating the service needs of Maryland's senior citizens and determining whether or not programs meet these needs;
- serving as an advocate for older adults at all levels of government; and
- reviewing and formulating policy recommendations to the Governor for programs that have an impact on senior citizens.

State Plan on Aging

Under the requirements of the Older Americans Act of 1965, every four years MDoA is required to submit a State Plan on Aging to the U.S. Department of Health and Human Services, Administration for Community Living. The plan currently in effect through September 30, 2016, details the efforts of MDoA and the local area agencies on aging (AAAs, which provide services either directly or through contracts) to meet the needs of older adults. In developing services and programs under the State Plan, MDoA takes into account the needs of older adults as expressed through hearings, evaluation tools, and waiting lists, as well as State and federal mandates. The needs of older adults are also represented through AAAs in the development of area plans and in formal and informal discussions held with members of the aging network. Views of advisory councils, commissions on aging, and senior groups are reflected in the development of the State Plan on Aging.

In the process of developing the current State Plan on Aging, MDoA examined a wide variety of critical issues and trends facing seniors in the State. These included:

- workforce development and the impact of the aging workforce on business;
- physical and mental health (including issues related to dementia);
- transportation;
- housing;
- long-term services and supports;

- civic engagement and volunteerism;
- emergency preparedness; and
- protection of vulnerable adults.

MDoA is currently in the process of developing the State Plan on Aging for fiscal 2017 through 2020.

State Expenditures: MDoA advises that general fund expenditures increase by \$327,798 in fiscal 2017 and approximately \$100,000 annually thereafter to conduct necessary research and to develop, implement, evaluate, and revise the comprehensive long-term plan. This includes hiring a full-time contract monitor and \$250,000 for contractual consultants. However, the Department of Legislative Services (DLS) notes that several of the elements required to be included in the comprehensive plan, and any associated annual report, align with elements of the current State Plan on Aging. While the information collected and analyzed during the development of the forthcoming State Plan may differ somewhat from the information collected and analyzed while developing the current plan, MDoA can likely utilize a significant amount of the research and analysis already compiled for the forthcoming plan to fulfill some of the bill's requirements.

MDoA further advises that it lacks appropriate subject matter expertise in some of the elements required to be addressed in the comprehensive plan and that this lack of expertise requires retaining consultants. DLS notes that the bill requires MDoA to consult with various State agencies, many of which have expertise in areas required to be addressed in the comprehensive plan that are outside of MDoA's traditional scope. By collaborating with these agencies, MDoA can likely reduce the need for outside consultants during the initial development and subsequent evaluation and updating of the plan. To the extent that additional expertise is required, general fund expenditures increase for MDoA to hire consultants to provide specialized services.

DLS further notes that there is no deadline for developing the comprehensive plan and that annual updates are not required until the plan is submitted. As a result, some of the costs associated with developing the plan and any subsequent evaluation and revision can be deferred.

Except as noted above, MDoA, in consultation with various State agencies, can likely fulfill a majority of the bill's requirements related to developing the comprehensive plan, including overseeing contractual services, using existing resources even though staff within MDoA and other State agencies may need to be diverted from other priorities.

Subsequent evaluation of the plan and annual updates can likewise likely be accomplished with existing resources.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Aging; Department of Disabilities; Department of Health and Mental Hygiene; Department of Housing and Community Development; Department of Human Resources; Department of Labor, Licensing, and Regulation; Maryland Department of Transportation; Department of Veterans Affairs; Governor's Office of the Deaf and Hard of Hearing; Department of Legislative Services

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