

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 671
Finance

(Senator Kelley, *et al.*)

Appropriations

Department of Human Resources - Public Assistance Eligibility - Financial
Records

This bill requires the Department of Human Resources (DHR), on a showing that an applicant for long-term care Medicaid benefits has been unable to obtain the financial records related to financial and real property assets necessary to establish eligibility or ineligibility for Medicaid benefits, to request any necessary records from a fiduciary institution doing business in the State. DHR must state in regulations the requirements that an applicant must satisfy in order for DHR to request such financial records.

Fiscal Summary

State Effect: DHR can handle the bill's requirements with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: DHR may request and obtain from a fiduciary institution doing business in the State any financial records that it deems necessary to verify or confirm an individual's eligibility or ineligibility for public assistance. DHR must adopt regulations governing procedures for requesting, obtaining, and examining financial records that it determines are necessary to verify or confirm an individual's eligibility or ineligibility for public assistance.

Pursuant to the Code of Maryland Regulations 07.03.01.04, an applicant for public assistance must obtain the information and verification that the local department of social services requires to make decisions regarding eligibility. If the individual is physically or mentally incapable of taking these actions, or lacks resources to meet these requirements, the local department must (1) assist in obtaining the necessary verifications; (2) pay any costs incurred; and (3) obtain written consent before initiating action to obtain verification on the individual's behalf.

Background: DHR is responsible for the initial determination and annual redetermination of eligibility for many Medicaid programs, including long-term care. 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.

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.

Additional Information

Prior Introductions: None.

Cross File: HB 752 (Delegate Kelly) - Appropriations.

Information Source(s): Department of Human Resources; Department of Legislative Services

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