

Department of Legislative Services
 Maryland General Assembly
 2019 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

House Bill 251

(Delegate Hill, *et al.*)

Health and Government Operations

Finance

Department of Aging - Grants for Aging-in-Place Programs (Nonprofits for our Aging Neighbors Act - "NANA")

This bill authorizes the Maryland Department of Aging (MDOA) to make grants to nonprofit organizations and area agencies on aging (AAAs) to expand and establish aging-in-place programs for seniors. Any nonprofit organization or AAA may apply for a grant to be applied toward the cost of expanding or establishing an aging-in-place program that provides specified services. A nonprofit organization or AAA must demonstrate an equal match for the funds requested. Funding for the grants is as provided by the Governor in the annual State budget. MDOA may adopt regulations for receiving and considering applications and for disbursing funds to applicants. **The bill takes effect June 1, 2019.**

Fiscal Summary

State Effect: MDOA general fund expenditures increase by *at least* \$45,100 in FY 2020 to administer the grants. Future year expenditures reflect ongoing costs. Expenditures further increase to reflect grant awards (not shown in the table), as discussed below. Revenues are not affected.

(in dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	45,100	40,500	41,800	43,300	44,800
Net Effect	(\$45,100)	(\$40,500)	(\$41,800)	(\$43,300)	(\$44,800)

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Local governments that operate AAAs as a unit of government may realize increased revenues as a result of any grants received under the bill. Local government expenditures increase correspondingly.

Small Business Effect: None.

Analysis

Bill Summary: “Aging-in-place program” means a program or service that enables an individual to live in the individual’s own home and community safely, independently, and comfortably, regardless of age, income, or ability level.

Any nonprofit organization or AAA may apply to MDOA for a State grant to be applied toward the cost of expanding or establishing an aging-in-place program that provides to seniors:

- assistance with the costs of in-home personal care services for activities of daily living, including bathing, personal hygiene and grooming, dressing, toileting, functional mobility, food preparation, laundry, and house cleaning;
- psychological, economic, or functional assistance to enable successful health management, access to medical care, or compliance with treatment recommendations;
- awareness of and access to resources, services, and benefits;
- support services and care coordination;
- affordable transportation; or
- assistance making in-home modifications or repairs to improve safety, mobility, and accessibility.

MDOA must publicize the availability of grant opportunities under the aging-in-place program to eligible organizations at least six weeks before grant applications are due. MDOA must also notify an AAA within two weeks after a grant award to a nonprofit located within the jurisdiction of the AAA.

Current Law/Background: Generally, aging-in-place allows an individual to remain in their home, or the home of a family member, instead of being placed in some form of assisted living or a nursing home.

The MDOA [website](#) offers information about aging-in-place, including information about long-term care services and home modifications. MDOA also operates the Maryland [Community for Life](#) (CFL) program that provides a package of aging-in-place services for homeowners and renters, including key services designed to navigate predictable home maintenance, transportation, and community access needs in a supportive manner. CFL currently applies to specified geographic areas in the State. Administered through local entities, for a monthly fee, members receive services, including:

- basic home repair and maintenance by a community “handyman,” a list of vetted contractors, and contract review;
- transportation; and

- regular contact with a “service navigator” to help coordinate access to services and to assist with additional needs.

The Governor’s proposed fiscal 2020 budget includes a \$400,000 deficiency appropriation for CFL program expenditures in fiscal 2019, as well as an additional \$600,000 in fiscal 2020.

In Maryland, each of the 23 counties and Baltimore City designates an AAA. The agency may be a unit of local government or a private, nonprofit corporation. AAAs provide a variety of adult services, incorporating assisted living, protective services, and temporary disability programs.

State Expenditures: MDOA general fund expenditures increase by *at least* \$45,132 in fiscal 2020, which accounts for a 30-day start-up delay. This estimate reflects the cost of hiring one part-time (50%) program administrator in MDOA to establish the grant application and award process, evaluate grant applications, and administer grant funding. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	0.5
Salary and Fringe Benefits	\$39,929
One-time Start-up Expenses	4,890
Ongoing Operating Expenses	<u>313</u>
FY 2020 Administrative Expenditures	\$45,132

Future year administrative expenditures reflect a half-time salary with annual increases and employee turnover and ongoing operating expenses.

MDOA expenditures increase by an additional amount to provide grants to nonprofit organizations and AAAs to expand and establish aging-in-place programs for seniors. The demand for such grants, particularly given the matching fund requirement, cannot be reliably estimated. Accordingly, this analysis does not reflect a funding level for grant awards. For a viable program, however, funding similar to that currently provided for CFL may be needed. No funds for grants are included in the Governor’s proposed fiscal 2020 budget.

Additional Information

Prior Introductions: None.

Cross File: SB 279 (Senator Feldman, *et al.*) - Finance.

Information Source(s): Maryland Department of Aging; Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2019
an/jc Third Reader - March 19, 2019
Revised - Amendment(s) - March 19, 2019

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