

Department of Legislative Services
 Maryland General Assembly
 2022 Session

FISCAL AND POLICY NOTE
 First Reader

Senate Bill 505 (Senator King)
 Finance

Department of Aging - Dementia Care Coordinator and Dementia Care Navigators

This bill requires each area agency on aging (AAA) to employ a dementia care navigator and establishes a Dementia Care Coordinator position in the Maryland Department of Aging (MDOA) to manage the work of the navigators. By October 1, 2023, and each year thereafter, the coordinator must submit a report on dementia care services provided and publish the report on the MDOA website. Beginning in fiscal 2024, the Governor must include in the annual budget bill an appropriation of \$1.6 million to employ the coordinator and navigators. Funds must be distributed proportionally to each AAA based on a specified formula. **This bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: MDOA general fund expenditures increase by \$71,100 in FY 2023 to hire a Dementia Care Coordinator; future years reflect ongoing costs and the bill’s mandated appropriation, as discussed below. FY 2023 funding is discretionary. Revenues are not affected. **This bill establishes a mandated appropriation beginning in FY 2024.**

(in dollars)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	71,100	1,600,000	1,600,000	1,600,000	1,600,000
Net Effect	(\$71,100)	(\$1,600,000)	(\$1,600,000)	(\$1,600,000)	(\$1,600,000)

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

Local Effect: For those AAAs that are units of local government, revenues and expenditures increase beginning in FY 2024 from mandated funding for dementia care navigators.

Small Business Effect: Minimal.

Analysis

Bill Summary: Each AAA may designate the dementia care navigator from existing staff or hire an individual to be the navigator. A dementia care navigator must:

- provide cognitive screening and programs that engage individuals with dementia in regular exercise and social activities;
- provide support for caregivers of individuals with dementia, as specified;
- provide community support by assisting in the development of dementia-friendly communities to increase civic awareness and dementia-capable emergency response;
- consult with and provide technical assistance to AAA staff who interact with individuals with dementia diagnoses or cognitive changes associated with dementia;
- establish relationships with health care providers and facilitate contact between health care providers, individuals with dementia, and caregivers of individuals with dementia; and
- provide any other appropriate service.

The services provided by navigators must be provided along with single point of entry programs and services for frail or health-impaired seniors.

The work of the coordinator and the navigators must be guided by the recommendations of the (1) Strategic State Plan on Aging-in-Place to address the aging-in-place preferences of current and future seniors and (2) the Virginia I. Jones Alzheimer's Disease and Related Disorders Council.

Current Law: In Maryland, each of the 23 counties and Baltimore City designate 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.

Each AAA must operate a single point of entry program to access the needs of seniors and their caregivers and provide appropriate services, including (1) providing current information on available programs, services, or benefits; (2) determining the service needs of each senior who requests service; (3) processing requests for service from seniors; (4) providing access to available public and private programs and services for seniors; (5) monitoring the outcome of requests for service or information; and (6) arranging for individual assessment to determine the service needs of a frail or health-impaired senior. MDOA must administer the system for the Interagency Committee on Aging Services to develop a system to provide services to frail or health-impaired seniors at risk of institutionalization and coordinate the system among the agencies represented on the

committee. Provided services must include (1) integrated screening and evaluation; (2) development of an individual plan of care; (3) in-home services; and (4) community services such as day care, congregate meals, and other programs to assist seniors or adult caregivers in providing care for seniors.

Maryland Communities for a Lifetime Program

Under § 10-801 of the Human Services Article, the Maryland Communities for a Lifetime Program within MDOA must establish a comprehensive State plan to address the aging-in-place preference of current and future seniors. MDOA must collect and make available best practices on policies to encourage aging-in-place.

Virginia I. Jones Alzheimer's Disease and Related Disorders Council

Chapters 305 and 306 of 2013 established the Virginia I. Jones Alzheimer's Disease and Related Disorders Council for a three-year period. Chapters 410 and 411 of 2019 required the council to submit an [annual report](#) and extended the council's termination date to September 30, 2024. The council must (1) update the State Plan on Alzheimer's Disease and Related Disorders and advocate for the State plan; (2) examine the needs for individuals with Alzheimer's disease and related disorders and their caregivers and identify methods through which the State can most effectively and efficiently assist in meeting those needs; (3) advise the Governor and the General Assembly on policy, funding, regulatory, and other issues related to individuals with Alzheimer's disease and related disorders and their caregivers; and (4) develop and promote strategies to encourage brain health and reduce cognitive decline.

Chapters 349 and 350 of 2021 require the Maryland Department of Health, in partnership with MDOA, the council, and the Greater Maryland Chapter of the Alzheimer's Association, to incorporate specified information regarding cognitive impairment, Alzheimer's disease, and other types of dementia into relevant public health outreach programs to educate health care providers and increase public understanding and awareness.

State Expenditures: The bill establishes a Dementia Care Coordinator position in MDOA and requires the coordinator to submit a report on dementia care coordination services provided under the bill by October 1, 2023. Therefore, MDOA general fund expenditures increase by \$71,069 in fiscal 2023, which accounts for a 90-day start-up delay from the bill's July 1, 2022 effective date. This estimate reflects the cost of hiring one coordinator to manage the work of local dementia care navigators employed under the bill and to submit the required annual report. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses. Although fiscal 2023 funding is

discretionary, it is assumed the position is funded to prepare for implementation the following year.

Position	1
Salary and Fringe Benefits	\$63,726
Operating Expenses	<u>7,343</u>
Total FY 2023 State Expenditures	\$71,069

Future year expenditures reflect a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

Beginning in fiscal 2024, the Governor must include in the annual budget bill an appropriation of \$1.6 million to employ the coordinator and dementia care navigators. Thus, general fund expenditures increase by \$1.6 million annually beginning in fiscal 2024 to reflect the mandated appropriation. This analysis assumes that the coordinator's salary is paid using the mandated appropriation, with the remainder of funds (approximately \$1.5 million annually) distributed to AAAs to fund local dementia care navigators.

Local Fiscal Effect: Under the bill, funds must be distributed proportionally to each AAA based on a formula determined by MDOA that considers the number of individuals with dementia in each county. AAAs must use the funds to employ a dementia care navigator; however, an AAA may designate a navigator from existing staff.

MDOA advises that the total cost to hire a dementia care navigator is likely \$75,000 to \$80,000 annually. *For illustrative purposes only*, if each AAA hired a dementia care navigator, local expenditures increase by a total of between \$1.8 million and \$1.9 million annually. Thus, the overall amount appropriated to local AAAs under the bill (approximately \$1.5 million annually) may be insufficient to fully fund a navigator position at each AAA. However, since AAAs may designate a navigator from existing staff, the Department of Legislative Services notes that actual expenditures depend on the number of AAAs that choose to employ a new position or to designate an existing staff member.

Therefore, beginning in fiscal 2024, for those AAAs that are units of local governments, local revenues increase from funds provided under the mandated appropriation. To the extent that an AAA elects to employ a dementia care navigator, local expenditures increase to hire an additional position. Expenditures for all AAAs (including those that elect to designate an existing staff member to serve as the dementia care navigator) likely increase to fund the services the navigator must provide under the bill.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 731 (Delegate K. Young, *et al.*) - Health and Government Operations.

Information Source(s): Maryland Department of Aging; Kent, Montgomery, and Worcester counties; Department of Budget and Management; Maryland Department of Health; Department of Legislative Services

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