Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

House Bill 1142 (Delegate Bagnall, *et al.*)

Health and Government Operations Finance

Public Health - Maryland Interested Parties Advisory Group - Establishment

This bill generally codifies the federally required Maryland Interested Parties Advisory Group (IPAG) in the Maryland Department of Health (MDH). The primary purpose of IPAG is to advise and consult on Medicaid payment rate sufficiency, ensuring adequate access to "applicable service" categories (homemaker, home health aide, personal care, and habilitation services). IPAG must (1) evaluate the sufficiency of Medicaid payment rates for applicable service categories and (2) evaluate challenges to accessing care for applicable Medicaid home- and community-based services (HCBS). The Deputy Secretary of Health Care Financing (or their designee) must appoint the initial members of IPAG by October 1, 2025. Beginning November 1, 2025, IPAG must meet annually, and IPAG must report by September 1 each year (starting in 2026) on its activities and recommendations to the Governor and the General Assembly. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: As the bill generally codifies IPAG as required by federal rule, there is no fiscal impact on MDH as a result of the bill. Revenues are not affected.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Bill Summary:

Advisory Group – Input and Membership

IPAG may hold opportunities to solicit and collect testimony from the public and invite input from employer organizations, worker organizations, consumer advocacy groups, and

other stakeholders in the direct care industry. An employer or State agency may not take retaliatory action against a direct care worker or consumer for participation in IPAG.

IPAG comprises (1) the Deputy Secretary of Health Care Financing (or their designee), who must serve as chair; (2) the Secretary of Labor (or their designee); and (3) the following members appointed by the Deputy Secretary (or their designee): three consumers, two representatives of consumer organizations, three direct care workers, two representatives of worker organizations, and three representatives of provider associations (two from a residential service agency and one from an employer trade association).

The Deputy Secretary of Health Care Financing (or their designee) must establish an application process that is accessible to the general public for the recruitment of members. The application and selection criteria must be published on the MDH website. A member of IPAG may not receive compensation but is entitled to reimbursement for expenses.

Duties of the Maryland Department of Health

MDH must establish standardized procedures for the administration of IPAG and make the procedures available to the public on a dedicated page of the MDH website, which must include specified information. MDH must provide sufficient data and resources at least 30 days in advance of an IPAG meeting to support informed participation, including:

- current and proposed payment rates;
- federally required information, as specified;
- Bureau of Labor Statistics publicly available wage data and other labor market and workforce data;
- benchmarking and rate studies for HCBS conducted by MDH;
- rate information from neighboring or similarly situated states; and
- access-to-care metrics, as specified.

MDH post IPAG's annual report on the MDH website within 30 days after the report has been finalized.

Current Law:

Federal Ensuring Access to Medicaid Services Final Rule

On May 10, 2024, the federal Centers for Medicare and Medicaid Services published the Ensuring Access to Medicaid Services Final Rule, 89 FR 40542 (2024 Access Final Rule). The rule requires states to establish an IPAG to advise and consult on provider

fee-for-service rates where payments are made to direct care workers providing self-directed and agency-directed personal care, home health aide, and homemaker services. IPAG must also advise and consult with the Medicaid agency on current and proposed payment rates, HCBS payment adequacy data, and access-to-care metrics to ensure the relevant Medicaid payment rates are sufficient to ensure access to homemaker services, home health aide services, personal care, and habilitation services for Medicaid beneficiaries at least as great as available to the general population in the geographic area and to ensure an adequate number of qualified direct care workers to provide self-directed personal assistance services.

IPAG must include, at a minimum, direct care workers, beneficiaries and their authorized representatives, and other interested parties. IPAG must meet at least every two years. The state Medicaid agency must ensure the group has access to current and proposed payment rates, HCBS provider payment adequacy minimum performance and reporting standards, and applicable access-to-care metrics for HCBS to produce these recommendations. These materials must be made available with sufficient time for IPAG to consider them, formulate recommendations, and transmit those recommendations to the state.

State Expenditures: As noted above, establishment of IPAG is required under federal rule. Thus, expenditures related to IPAG, as outlined in the federal rule, are not attributable to this legislation.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 920 (Senator Gile) - Finance.

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

Fiscal Note History: First Reader - March 3, 2025
caw/ljm   Third Reader - March 19, 2025
                          Revised - Amendment(s) - March 19, 2025
                  Enrolled - April 7, 2025
                          Revised - Amendment(s) - April 7, 2025

Analysis by: Jennifer B. Chasse   Direct Inquiries to:
                                         (410) 946-5510
                                         (301) 970-5510