

SENATE BILL 742

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By: **Senators Guzzone and Zucker**

Introduced and read first time: February 6, 2026

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Medical Assistance Program and Developmental Disabilities**
3 **Administration – Home- and Community-Based Services Eligibility**
4 **Determinations**
5 **(Maryland Protecting People With Disabilities Act)**

6 FOR the purpose of altering the time within which an individual receiving services from
7 the Developmental Disabilities Administration must appeal a loss of eligibility for
8 services; establishing requirements related to eligibility determinations and
9 redeterminations under the Maryland Medical Assistance Program; requiring the
10 Maryland Department of Health to provide certain accessible information to
11 Program recipients and any other individuals on request; prohibiting the
12 Department from procedurally disenrolling individuals from the Program or
13 home- and community-based services solely on a certain basis except under certain
14 circumstances; requiring the Department, subject to federal approval, to reserve
15 certain home- and community-based services waiver slots for Program recipients
16 who lost eligibility under certain circumstances; and generally relating to
17 determinations of eligibility for home- and community-based services.

18 BY repealing and reenacting, with amendments,
19 Article – Health – General
20 Section 7-309(b)
21 Annotated Code of Maryland
22 (2023 Replacement Volume and 2025 Supplement)

23 BY repealing and reenacting, without amendments,
24 Article – Health – General
25 Section 15-101(a), (h), and (i)
26 Annotated Code of Maryland
27 (2023 Replacement Volume and 2025 Supplement)

28 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Health – General
2 Section 15–103.9
3 Annotated Code of Maryland
4 (2023 Replacement Volume and 2025 Supplement)

5 Preamble

6 WHEREAS, The landmark decision of the U.S. Supreme Court in Olmstead v. L.C.
7 ex rel. Zimring, 527 U.S. 581 (1999) affirmed that unjustified segregation of individuals
8 with disabilities constitutes discrimination in violation of Title II of the federal Americans
9 with Disabilities Act; and

10 WHEREAS, The Olmstead decision established that people with disabilities have
11 the right to receive services in the most integrated setting appropriate to their needs and
12 that states must provide community–based services when such services are appropriate,
13 desired by the individual, and can be reasonably accommodated; and

14 WHEREAS, Individuals with intellectual and developmental disabilities are vital
15 members of Maryland’s communities, contributing meaningfully in workplaces, classrooms,
16 places of worship, neighborhoods, and civic life across the State; and

17 WHEREAS, The State of Maryland has demonstrated a longstanding commitment
18 to community inclusion by closing nearly all large public institutions for people with
19 intellectual and developmental disabilities and investing in supports that allow
20 Marylanders with disabilities to live, work, and thrive in the communities of their choosing,
21 with people they choose; and

22 WHEREAS, Despite this progress, barriers remain when administrative
23 inefficiencies and delays in Medicaid eligibility determinations or redeterminations cause
24 individuals to lose critical home– and community–based services or remain
25 institutionalized after they are medically ready for discharge; and

26 WHEREAS, Ensuring timely Medicaid eligibility determinations, preventing
27 procedural terminations, and protecting continuity of home– and community–based
28 services coverage are necessary to fulfill the promise of Olmstead and uphold Maryland’s
29 commitment to dignity, inclusion, and equality for all people with disabilities; and

30 WHEREAS, Maryland law requires the Developmental Disabilities Administration
31 and the Department of Disabilities to compile statewide and regional data from written
32 plans of habilitation, including barriers to community placement, and to incorporate the
33 data annually into the State’s Olmstead Plan together with recommendations for
34 addressing those barriers; now, therefore,

35 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
36 That the Laws of Maryland read as follows:

1 7-309.

2 (b) (1) An individual receiving Administration services who receives notice
3 from the Department that the individual has lost eligibility to receive Maryland Medical
4 Assistance Program services [shall have 90 days after the date on which the notification
5 letter was mailed to] MAY appeal the determination.

6 (2) If an individual appeals a loss of eligibility within the time period
7 required under [paragraph (1) of this subsection] **§ 42 C.F.R. 431.231**, Administration
8 services for the individual shall continue uninterrupted until the outcome of the appeal is
9 complete.

10 (3) The Department shall ensure that providers of Administration services
11 to an individual affected by a loss of eligibility are notified of the individual's loss of
12 eligibility when notice is sent to the individual.

13 (4) The Department shall ensure that providers, including coordinators of
14 community services, have the ability to automatically exchange electronic data with the
15 Department through an application program interface with the Department's Long Term
16 Services and Supports software system.

17 15-101.

18 (a) In this title the following words have the meanings indicated.

19 (h) "Program" means the Maryland Medical Assistance Program.

20 (i) "Program recipient" means an individual who receives benefits under the
21 Program.

22 15-103.9.

23 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
24 INDICATED.

25 (2) "EX PARTE REDETERMINATION" MEANS A PROCESS BY WHICH
26 THE DEPARTMENT DETERMINES A PROGRAM RECIPIENT'S ELIGIBILITY TO
27 CONTINUE TO RECEIVE SERVICES USING EXISTING DATA, WITHOUT REQUIRING THE
28 PROGRAM RECIPIENT TO SUBMIT ADDITIONAL INFORMATION.

29 (3) "HOME- AND COMMUNITY-BASED SERVICES" MEANS SERVICES
30 AUTHORIZED UNDER A MEDICAID STATE PLAN OPTION OR WAIVER UNDER § 1115
31 OR § 1915(C), (I), OR (K) OF THE FEDERAL SOCIAL SECURITY ACT.

5 (B) THE DEPARTMENT SHALL COMPLY WITH THE REQUIREMENTS OF 42
6 C.F.R. § 435.912 RELATED TO THE TIMELY DETERMINATION AND
7 REDETERMINATION OF PROGRAM ELIGIBILITY, INCLUDING PROCESSING AN
8 APPLICATION:

13 (C) THE DEPARTMENT SHALL CONDUCT EX PARTE REDETERMINATIONS
14 AND USE ALL PROCEDURES AUTHORIZED UNDER 42 C.F.R. § 435.916 TO PREVENT
15 PROCEDURAL DISENROLLMENT OF INDIVIDUALS RECEIVING HOME- AND
16 COMMUNITY-BASED SERVICES.

17 (D) IN ACCORDANCE WITH 42 C.F.R. § 435.905 AND SUBJECT TO
18 SUBSECTION (E) OF THIS SECTION, THE DEPARTMENT SHALL PROVIDE, IN
19 ELECTRONIC AND PAPER FORMATS, AND ORALLY AS APPROPRIATE, THE
20 FOLLOWING INFORMATION TO ALL APPLICANTS AND OTHER INDIVIDUALS ON
21 REQUEST:

22 (1) REQUIREMENTS FOR PROGRAM ELIGIBILITY;

26 (E) (1) THE DEPARTMENT SHALL PROVIDE THE INFORMATION
27 REQUIRED UNDER SUBSECTION (D) OF THIS SECTION IN PLAIN LANGUAGE AND IN A
28 MANNER THAT IS TIMELY AND ACCESSIBLE TO INDIVIDUALS WHO ARE:

9 (ii) HOW TO ACCESS THE INFORMATION AND SERVICES.

10 (F) IF THE DEPARTMENT DETERMINES THAT THE INFORMATION
11 NECESSARY TO CONFIRM A PROGRAM RECIPIENT'S ELIGIBILITY TO CONTINUE TO
12 RECEIVE SERVICES IS INCOMPLETE, THE DEPARTMENT SHALL CONTINUE TO
13 PROVIDE THE HOME- AND COMMUNITY-BASED SERVICES AND OTHER SERVICES
14 UNDER THE PROGRAM UNTIL THE PROGRAM RECIPIENT HAS EXHAUSTED ALL DUE
15 PROCESS RIGHTS AND A FINAL DETERMINATION IS ISSUED.

16 (G) IF A PROGRAM RECIPIENT IS PROCEDURALLY DISENROLLED FROM
17 HOME- AND COMMUNITY-BASED SERVICES DUE TO A FAILURE BY THE DEPARTMENT
18 TO REDETERMINE ELIGIBILITY IN A TIMELY MANNER AND THE DELAY IN THE
19 REDETERMINATION WAS NO FAULT OF THE PROGRAM RECIPIENT, THE
20 DEPARTMENT SHALL REINSTATE THE PROGRAM RECIPIENT'S ELIGIBILITY AND THE
21 PROVISION OF HOME- AND COMMUNITY-BASED SERVICES AND AUTHORIZE
22 ENROLLMENT RETROACTIVELY TO THE DATE OF DISENROLLMENT PENDING THE
23 DEPARTMENT'S COMPLETION OF THE REDETERMINATION PROCESS.

24 (H) SUBJECT TO FEDERAL APPROVAL, THE DEPARTMENT SHALL RESERVE
25 A PORTION OF THE PARTICIPANT CAPACITY IN THE HOME- AND COMMUNITY-BASED
26 SERVICES WAIVER UNDER § 1915(C) OF THE FEDERAL SOCIAL SECURITY ACT FOR
27 SERVICES NEEDED BY PROGRAM RECIPIENTS WITH DEVELOPMENTAL DISABILITIES
28 WHO:

(2) HAVE HAD PROGRAM ELIGIBILITY REINSTATED; AND

33 (3) **HAVE REQUESTED THE REINSTATEMENT OF WAIVER SERVICES.**

1 **(I) THE DEPARTMENT MAY NOT PLACE AN INDIVIDUAL ON A WAITING LIST**
2 **OR REQUIRE A NEW WAIVER APPLICATION IF THE DISENROLLMENT OF THE**
3 **INDIVIDUAL RESULTED FROM A DELAY OR AN ERROR BY THE DEPARTMENT.**

4 **(J) (1) THE DEPARTMENT MAY NOT PROCEDURALLY DISENROLL AN**
5 **INDIVIDUAL FROM THE PROGRAM OR HOME- AND COMMUNITY-BASED SERVICES**
6 **SOLELY BASED ON MISSING DOCUMENTATION, A MISSING SIGNATURE, OR**
7 **INCOMPLETE INFORMATION UNLESS THE DEPARTMENT HAS:**

8 **(I) EXHAUSTED ALL EX PARTE VERIFICATION PROCESSES**
9 **REQUIRED UNDER 42 C.F.R. § 435.916;**

10 **(II) PROVIDED A CLEAR, SPECIFIC, AND ACCESSIBLE WRITTEN**
11 **NOTICE IDENTIFYING THE EXACT INFORMATION REQUIRED;**

12 **(III) PROVIDED THE PROGRAM RECIPIENT WITH A REASONABLE**
13 **OPPORTUNITY TO SUPPLY THE INFORMATION; AND**

14 **(IV) VERIFIED THAT THE INDIVIDUAL RECEIVED THE NOTICE**
15 **REQUIRED UNDER ITEM (II) OF THIS PARAGRAPH AND DOCUMENTED THE**
16 **VERIFICATION.**

17 **(2) IF THE DEPARTMENT VIOLATES PARAGRAPH (1) OF THIS**
18 **SUBSECTION, A PROGRAM RECIPIENT'S HOME- AND COMMUNITY-BASED SERVICES**
19 **SHALL CONTINUE WITHOUT INTERRUPTION.**

20 **(K) IF THE DEPARTMENT DISENROLLS A PROGRAM RECIPIENT IN**
21 **VIOLATION OF THIS SECTION, THE DEPARTMENT SHALL:**

22 **(1) AUTOMATICALLY REINSTATE PROGRAM AND HOME- AND**
23 **COMMUNITY-BASED SERVICES RETROACTIVE TO THE DATE OF DISENROLLMENT;**
24 **AND**

25 **(2) TREAT THE PROGRAM RECIPIENT AS CONTINUOUSLY ENROLLED.**

26 **(L) (1) ON OR BEFORE JANUARY 1, 2027, AND QUARTERLY THEREAFTER,**
27 **THE DEPARTMENT SHALL:**

28 **(I) SUBMIT TO THE GENERAL ASSEMBLY, IN ACCORDANCE**
29 **WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, A REPORT REGARDING**
30 **PROGRAM RECIPIENTS WHO RECEIVE HOME- AND COMMUNITY-BASED SERVICES;**
31 **AND**

(II) POST EACH REPORT SUBMITTED UNDER ITEM (I) OF THIS PARAGRAPH ON THE DEPARTMENT'S WEBSITE.

5 (I) THE TOTAL NUMBER OF PROGRAM RECIPIENTS FOR WHOM
6 A REDETERMINATION OF ELIGIBILITY WAS INITIATED;

12 (IV) THE TOTAL NUMBER OF PROGRAM RECIPIENTS WHOSE
13 ELIGIBILITY WAS TERMINATED:

14 (v) THE TOTAL NUMBER OF PROGRAM RECIPIENTS WHOSE
15 ELIGIBILITY WAS TERMINATED FOR PROCEDURAL REASONS; AND

16 (VI) THE MEAN AND MEDIAN PROCESSING TIMES FOR
17 REDETERMINATIONS OF ELIGIBILITY.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 October 1, 2026.