

Department of Legislative Services
 Maryland General Assembly
 2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1284 (Delegate Guzzone)
 Health

Residential Service Agencies - Private Duty Nursing - On-Site Nurse Training Programs

This bill requires the Maryland Department of Health (MDH) to adopt regulations that authorize a residential service agency (RSA) to provide training to a specified licensed nurse after hire. An RSA that provides private duty nursing (PDN) services may employ a licensed nurse who does not meet clinical experience requirements if the RSA provides specified training and a competency evaluation. A training program and competency evaluation are subject to approval by MDH. The bill may not be construed to affect requirements relating to occupational licensure, scope of practice, or standards of care.

Fiscal Summary

State Effect: MDH general fund expenditures increase by \$99,700 in FY 2027 for additional staff. Medicaid expenditures increase by \$105,100 (50% general funds, 50% federal funds) in FY 2027 for additional staff; federal fund revenues increase accordingly. Future years reflect annualization and ongoing costs.

(in dollars)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
FF Revenue	\$52,600	\$62,400	\$65,300	\$68,300	\$71,200
GF Expenditure	\$99,700	\$118,200	\$123,600	\$129,200	\$134,800
GF/FF Exp.	\$105,100	\$124,900	\$130,600	\$136,500	\$142,500
Net Effect	(\$152,300)	(\$180,600)	(\$188,900)	(\$197,400)	(\$206,100)

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

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Bill Summary: An RSA must (1) establish and implement a training program designed to ensure safe and competent care based on patient needs; (2) ensure the nurse receives clinical supervision by a registered nurse (RN) qualified in PDN services; (3) assign the nurse to a qualified preceptor or clinical supervision until competency is demonstrated; (4) document satisfactory completion of required competency standards in the nurse's personnel file; and (5) conduct competency evaluations of the nurse annually or on a more frequent schedule as required by MDH for disciplinary purposes.

Current Law: An RSA is an agency that employs or contracts with individuals to provide at least one home health care service for compensation to an unrelated sick or disabled individual. Some RSAs have nurses that provide skilled care and certified caregivers that provide assistance with activities of daily living. Other RSAs provide physical therapy, occupational therapy, or speech therapy, or durable medical equipment. RSAs are licensed by the Office of Health Care Quality in MDH. As of March 2, 2026, there were 2,986 licensed RSAs in Maryland.

MDH must adopt regulations that set standards for the care, treatment, health, safety, welfare, and comfort of individuals who receive home health care services through an RSA. The regulations must provide for the licensing of RSAs and include provisions that:

- provide for the establishment of RSAs;
- establish qualifications for licensure;
- set minimum standards for individuals who provide home health care services through an RSA; and
- require the RSA to screen and verify the character references of all home health care providers that are employed by the RSA.

Private Duty Nursing

Under Maryland regulations (COMAR [10.09.53.01](#)), PDN services means skilled nursing services for recipients who require more individual and continuous care than is available under the home health program, and which are provided by an RN or a licensed practical nurse, in a recipient's own home or another setting when normal life activities take the recipient outside his or her home. A "home health aide" (HHA) means an individual, regardless of title, who meets all the conditions of participation specified in specified federal regulations and the Maryland Nurse Practice Act.

Nurses rendering or supervising the provision of PDN services must be licensed, certified, or otherwise legally authorized to practice or deliver services in the state in which the service is provided.

To participate in Medicaid, each RSA must meet specified requirements including verifying the credentials and required work experience of nursing professionals providing PDN services. A provider must ensure that each nurse, certified nursing assistant (CNA), or HHA rendering services to a participant, among other things:

- has a valid, nontemporary, nursing license or certification to provide nursing, CNA, or HHA services in the jurisdiction in which services are rendered;
- has completed a skills checklist and demonstration of competency on an annual basis that was observed, documented, and verified by the signature of the RN supervisor or an RN designated by the supervisor;
- demonstrates to the provider's nurse supervisor sufficient specialized training and experience to deliver the level of service required by each participant to whom the nurse, CNA, or HHA renders direct care; and
- demonstrates to the provider's nurse supervisor, on a continuing basis, the ability to carry out competently the services specified in a participant's care plan, subject to review by MDH or its designee.

A provider must maintain a personnel folder for each nurse, CNA, and HHA which must include the following: (1) verification of current nursing license or certification; (2) a copy of current CPR certification; (3) documentation related to, among other things, verification that any nurse who serves a participant younger than age 19 has past employment of at least one year of clinical experience which includes pediatric direct patient care within the last three years and verification of past employment which must include at least one year of clinical experience within the last three years; (4) written verification of a criminal background check; and (5) documentation of a completed skills checklist.

State Fiscal Effect: The bill requires MDH to adopt regulations that authorize an RSA that provides PDN services to provide training to a specified licensed nurse and approve specified training programs and competency evaluations.

Medicaid

Medicaid advises that there are 1,247 Medicaid enrolled RSAs providing personal assistance services in the State, of which 94 provide PDN services. In fiscal 2025, MDH reimbursed \$513.3 million for personal assistance services provided to 16,151 Medicaid participants. Therefore, Medicaid advises that additional staff are required to promulgate regulations and conduct on-site provider audits to ensure compliance with the bill.

Thus, Medicaid expenditures (50% general funds, 50% federal funds) increase by \$105,121 in fiscal 2027, which accounts for the bill's October 1, 2026 effective date. This estimate reflects the cost of hiring one nurse consultant to promulgate regulations and conduct provider audits of 94 RSAs providing PDN services to Medicaid recipients. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	1.0
Salary and Fringe Benefits	\$95,980
Operating Expenses	<u>9,141</u>
Total FY 2027 Medicaid Expenditures	\$105,121

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

Office of Health Care Quality

MDH advises that the Office of Health Care Quality will approve specified training programs and competency evaluations, and that additional staff with expertise in PDN are required. Therefore, MDH general fund expenditures increase by \$99,736 in fiscal 2027, which accounts for the bill's October 1, 2026 effective date. This estimate reflects the cost of hiring one nurse surveyor to approve training programs and competency evaluations and conduct complaint investigations related to the bill's training and evaluation requirements. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating.

Position	1.0
Salary and Fringe Benefits	\$90,595
Operating Expenses	<u>9,141</u>
Total FY 2027 MDH Expenditures	\$99,736

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

Additional Information

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

Designated Cross File: None.

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

Fiscal Note History: First Reader - March 10, 2026
jg/jc

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