



THE COORDINATING CENTER  
INSPIRED SOLUTIONS

**Committee:** Senate Budget and Taxation Committee  
**Bill Number:** Senate Bill 192  
**Title:** Budget Reconciliation and Financing Act of 2020  
**Hearing Date:** February 26, 2020  
**Position:** Support with Amendment

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The Coordinating Center (The Center) opposes *HB 152 – Budget Reconciliation and Financing Act of 2020*. This bill would reduce provider rate increases in the FY 2021 budget from 4% to 2% for community-based Medicaid providers who serve Marylanders with disabilities and the most complex medical needs.

The Center is an independent, care coordination organization with over 35 years of experience, coordinating services for more than 10,000 people with disabilities and complex medical needs across the state.

During the 2019 legislative session, The Center was a strong proponent of an amendment to the minimum wage bill, requiring annual provider rate increases for Medicaid's home and community-based service providers. Unfortunately, we were extremely disappointed to see a 2% rate reduction in this year's BRFA for these services, which include private duty nursing, personal care services, and services provided through the Community First Choice program. Without rate increases to keep pace with the minimum wage, many of the individuals with complex medical needs that we provide care coordination for will be unable to find sufficient direct service staff in the community and will be at risk of spending their lives in institutional care.

In fact, a review conducted by the Hilltop Institute in 2018 for the Maryland Department of Health, illustrated in the chart below, shows that among these services, nearly all were underfunded when comparing reimbursement rates with an estimate of actual costs<sup>1</sup>. Without adequate rate increases, the gap between rates and actual costs will continue to widen, putting the health and safety of Marylanders at risk.

In addition, The Center supports restoring the 2% for developmental disability providers. It is often very difficult to find providers willing to do this challenging work, which often requires intensive labor. It is even more challenging in certain regions of the state such as Western Maryland and the Eastern Shore.

Thank you for your consideration of our testimony. If we can provide any further information, please contact Rachael Faulkner at [rfaulkner@policypartners.net](mailto:rfaulkner@policypartners.net) or (410) 693-4000.

**Table 5. Draft Cost Estimates and MDH Reimbursements**

Service	FY 19 Reimbursement	Estimated Cost	Difference
Medical Day Care (6 hour day)	\$79.84	\$86.90	\$7.06
Respite Services (provided in an assisted living facility) (24 hours)	\$78.43	\$136.38	\$57.95
Senior Center Plus (8 hours)	\$49.45	\$55.04	\$5.59
Assisted Living II with MDC (18 hours)	\$46.63	\$87.83	\$41.20
Assisted Living III with MDC (18 hours)	\$58.80	\$91.74	\$32.94
Assisted Living II no MDC (24 hours)	\$62.15	\$115.39	\$53.24
Assisted Living III no MDC (24 hours)	\$78.43	\$120.60	\$42.17
Residential Habilitation Level 1 (24 hours)	\$211.72	\$274.98	\$63.26
Residential Habilitation Level 2 (24 hours)	\$280.34	\$320.18	\$39.84
Residential Habilitation Level 3 (24 hours)	\$387.84	\$477.10	\$89.26
Day Habilitation Level 1 (5 hours)	\$54.67	\$71.48	\$16.81
Day Habilitation Level 2 (5 hours)	\$95.35	\$99.64	\$4.29
Day Habilitation Level 3 (5 hours)	\$134.15	\$353.01	\$218.86
Supported Employment Level 1 (.75 hour)	\$32.43	\$35.46	\$3.03
Supported Employment Level 2 (1 hour)	\$54.67	\$47.28	-\$7.39
Supported Employment Level 3 (4 hours)	\$134.15	\$189.12	\$54.97
Dietitian/Nutritionist Services	\$67.97	\$85.08	\$17.11
Case Management (non-REM)	\$63.75	\$64.12	\$0.37
Behavior Consultation	\$67.97	\$72.39	\$4.42
Family Training	\$67.97	\$97.16	\$29.19
Personal Assistance Services (non-shared) (Hourly)	\$17.50	\$25.54	\$8.04
Personal Assistance Services (non-shared) (Daily) (12 hours)	\$225.88	\$295.08	\$69.20
Personal Assistance Services (shared) (Hourly)	\$11.67	\$14.86	\$3.19
Personal Assistance Services (shared) (Daily) (12 hours)	\$150.59	\$171.63	\$21.04
Nurse Monitoring	\$86.39	\$93.94	\$7.55
Consumer Training	\$44.08	\$60.95	\$16.87
Individual Support Services	\$26.51	\$33.14	\$6.63
Private Duty RN (1 participant) - per 15 minutes	\$13.57	\$18.53	\$4.96
Private Duty RN (2+ participants) - per 15 minutes	\$9.36	\$10.80	\$1.44
Private Duty LPN (1 participant) - per 15 minutes	\$8.80	\$13.33	\$4.53
Private Duty LPN (2+ participants) - per 15 minutes	\$6.08	\$7.78	\$1.70
CNA or HHA (1 participant) - non-CMT – per 15 minutes	\$3.85	\$7.26	\$3.41
CNA or HHA (2+ participants) - non-CMT – per 15 minutes	\$2.68	\$4.25	\$1.57
CNA or HHA (1 participant) – CMT – per 15 minutes	\$4.65	\$7.29	\$2.64
CNA or HHA (2+ participants) – CMT – per 15 minutes	\$3.20	\$4.27	\$1.07
Initial Nursing Assessment (2 hours)	\$150.00	\$153.05	\$3.05
Initial Nursing Assessment (3 hours)	\$150.00	\$226.93	\$76.93
Coordinated Care Fee, Initial Rate (5 hours)	\$400.21	\$416.46	\$16.25
Coordinated Care Fee, Risk Adjusted High Initial (4 hours)	\$295.51	\$333.17	\$37.66
Coordinated Care Fee, Risk Adjusted Low (3 hours)	\$176.13	\$249.88	\$73.75
Coordinated Care Fee, Risk Adjusted Maintenance Level 3 (1.5 hours)	\$92.96	\$124.94	\$31.98
Participation by physician in plan of care meeting (15 minutes)	\$40.50	\$58.43	\$17.93

<sup>i</sup> Henderson, M., & Stockwell, I. (2018, November 26). Rate Methodology Study Pursuant to Section 2 of House Bill 1696 (2018). Baltimore, MD: The Hilltop Institute, UMBC.