

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Dennis R. Schrader, Secretary

February 22, 2022

The Honorable Delores G. Kelley Chair, Senate Finance Committee 3 East Miller Senate Office Building Annapolis, MD 21401-1991

RE: SB 527 – Elderly Individuals – Howard County and Montgomery County Adult Day Health Care Services Pilot Program and Task Force - Letter of Information

Dear Chair Kelley and Committee Members:

The Maryland Department of Health (MDH) respectfully submits this letter of information for Senate Bill (SB) 527 – Elderly Individuals – Howard County and Montgomery County Adult Day Health Care Services Pilot Program and Task Force.

SB 527 creates a Howard County and Montgomery County Adult Day Health Care Services Pilot Program (Pilot Program) for elderly residents of either county who receive medical adult day care services, home health care services and/or medical services provided under the Maryland Medicaid Assistance Program. The Pilot Program designates an 'integrator' who works to coordinate services between the three Medical Assistance programs, in addition to providing additional services such as remote patient monitoring and medication reviews. SB 527 also defines a Task Force and its membership to oversee and evaluate the Pilot Program.

MDH anticipates that this pilot will need to be approved by the Centers for Medicare and Medicaid (CMS) through a 1915(c) waiver. As such, the earliest anticipated effective date for the Pilot Program could be January 1, 2023 due to this approval process.

The proposed Pilot Program shares features with the Program for All-Inclusive Care of the Elderly (PACE) run by MDH, especially as MDH looks to expand its reach. PACE is one part of a multifaceted approach addressing the health needs of our older adults. Both include a coordinating entity, are centered around an adult day center, and include an interdisciplinary care approach that incorporates socialization, home health/personal care and medical services. PACE is a key part of MDH's approach to integration for individuals dually-eligible for Medicare and Medicaid (duals). Notably, PACE integrates care across both Medicare and Medicaid, whereas the proposed Pilot Program is Medicaid-only and may include individuals who already receive managed care services.

MDH released a competitive solicitation in the fall of 2021 to expand the number of PACE organizations to be announced in March. MDH's PACE expansion, as currently envisioned, will authorize new PACE organizations in Montgomery County, Prince George's County and Baltimore City with an initial cap of 200 participants each. A rural site may also be selected for 100 participants.

If you have any questions, please contact Heather Shek, Director of Governmental Affairs, at <u>heather.shek@maryland.gov</u> or (443) 695-4218.

Sincerely,

Dennis R. Schoolen

Dennis R. Schrader Secretary