



DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

March 29, 2023

The Honorable Melony Griffith
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401-1991

RE: HB 489 (3rd) – Residential Service Agencies – Reimbursement – Personal Assistance Services – Letter of Support as Amended

Dear Chair Griffith and Committee Members:

The Maryland Department of Health (MDH) respectfully submits this letter of support as amended for House Bill (HB) 489 – Residential Service Agencies – Reimbursement – Personal Assistance Services. HB 489 requires MDH to reimburse a Residential Service Agency (RSA) for personal assistance services only when they are provided by an individual classified as an employee of the RSA. Currently, Maryland Medicaid has 758 Medicaid enrolled RSAs providing personal assistance services. In Fiscal Year (FY) 2021, MDH reimbursed RSAs \$402,087,076 for personal assistance services provided to 14,562 Medicaid participants.

HB 489 has been amended to delay the implementation date to October 1, 2024. The additional time will allow RSAs to come into compliance with the bill's requirement to shift to billing for only those services delivered by employees. These providers face high staffing turnovers, which are likely to be exacerbated if independent contractors cannot be used. Allowing for a phase-in period will help mitigate the potential impact on Medicaid's RSA provider network and Medical Assistance participants' ability to access services.

If you would like to discuss this further, please do not hesitate to contact Megan Peters, Acting Director of Governmental Affairs at megan.peters@maryland.gov or (410) 260-3190.

Sincerely,

Laura Herrera Scott, M.D., M.P.H.
Secretary