

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

January 29, 2025

The Honorable Pamela Beidle Chair, Senate Finance Committee 3 East Miller Senate Office Bldg. Annapolis, MD 21401-1991

## RE: Senate Bill (SB) 156 – Universal Newborn Nurse Home Visiting Services – Program Establishment and Insurance Coverage – Letter of Concern

Dear Chair Beidle and Committee Members:

The Maryland Department of Health ("the Department") respectfully submits this letter of concern for Senate Bill (SB) 156 – Universal Newborn Nurse Home Visiting Services – Program Establishment and Insurance Coverage.

The Department is committed to improving maternal and child health outcomes. The Maryland Medical Assistance Program ("Medicaid") pays for approximately 45 percent of all births in the state each year (32,175 in 2022). Medicaid has made significant investments in home visiting services since 2017 leveraging state funding through the Maternal and Child Health Population Health Improvement Fund to pull down additional federal matching dollars.

SB 156 would require the Department to establish a voluntary program to provide home visiting services to all households with an infant up to twelve weeks of age or an individual who experienced a stillbirth in the past twelve weeks. Qualifying households would be eligible to receive up to four home visits from a nurse. The services must follow an evidence-based model and address several health domains. All payers, including Medicaid, would be required to participate. SB 156 also requires the Department to submit an annual report to the Governor on findings and recommendations from the program beginning on or before December 1, 2026.

Evidence-based home visiting programs are widely supported in Maryland. Their expansion is included in the Moore-Miller State Plan Priority 1- "Ending Child Poverty in Maryland," as well as the Maryland Department of Health's <u>Women's Health Action Plan</u>.<sup>1</sup> Central to these plans are alignment and integration with existing Department programs to ensure coordination of the services offered. The Department is concerned that the bill establishes new and separate processes for a newborn home visiting program rather than integrating with the systems and leveraging strategies already in place.

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<sup>&</sup>lt;sup>1</sup> Maryland Department of Health, Women's Health Action Plan, <u>https://health.maryland.gov/phpa/mch/Pages/Womens-Health-Action-Plan.aspx</u>

Though a specific home visiting model is not named in SB 156, the bill indicates that the newborn home visiting program must be an evidence-based, nurse-led, universal early childhood home visiting service delivery model under the criteria established by the U.S. Department of Health and Human Services (HHS). HHS has deemed over 25 models to be evidence-based, however, only the Family Connects model meets the criteria in the bill.<sup>2</sup> The current legislation does not allow for a localized process to select models that address the specific challenges faced by each community and engender effective, sustainable, and responsive solutions.

Additionally, because Family Connects International (FCI) maintains accreditation for the Family Connects model, any significant operating changes to FCI, the home visitor curriculum, or minimum training requirements have the potential to create a misalignment with implementing the program according to the current legislation.

## Maryland Medicaid Home Visiting Programs

The Department established a home visiting pilot program through Medicaid in 2017 and expanded services statewide in 2022. Medicaid reimburses for two evidence-based home visiting models, Nurse Family Partnership ("NFP") and Healthy Families America ("HFA"). Both programs cover the seven domains outlined SB 156: infant and child health, child development and school readiness, maternal and postpartum health, family economic self-sufficiency, positive parenting, reducing child maltreatment, and reducing family violence. Both NFP and HFA provide services to families over a longer span of time, starting during pregnancy and continuing through the early toddler years, allowing for trust to be established and a connection to be created.

In 2023, Medicaid reimbursed for more than 6,470 services delivered to over 600 unique individuals, including more than 200 infants. The Medicaid program is structured to mirror previously-existing programs and allows grant-funded programs to serve additional Marylanders outside the Medicaid program. Currently there are 12 HFA sites and 2 NFP sites enrolled as Medicaid providers. As these sites continue to grow, the Department remains dedicated to working with providers to engage them with the Medicaid program.

## Projected Fiscal Impact

If implemented as currently drafted, this bill would result in significant annual expenditures related to administering this program. For the next five years, the total expenditures for both program administration and Medicaid are estimated to be \$27,144,134 for fiscal year 2026; \$32,023,509 for fiscal year 2027, \$32,053,453 for fiscal year 2028, \$32,084,841 for fiscal year 2029, and \$32,116,324 for fiscal year 2030. In fiscal year 2026, this estimate includes salary and fringe benefits for 6.5 full time employees totaling \$344,828 with associated operating costs of \$70,410, as well as travel for staff estimated at \$47,620 annually to meet with community leads

<sup>&</sup>lt;sup>2</sup> U.S. Department of Health and Human Services. Home Visiting Evidence of Effectiveness - Model Search. <u>https://homvee.acf.hhs.gov/model-search?search\_api\_fulltext=&field\_miechv\_eligible=1&meets-hhs=1&f%5</u> <u>B0%5D=target\_population\_taxonomy\_term\_name%3A0-11%20months&page=0</u>

around the state. The Department also estimates centralized intake system costs of \$2,000,000 to expand the home visiting database to include: the intake system to receive referrals, coordination between database vendor and client intake staff, and provide equipment such as phones/tablets for field staff to manage intake. Grants to community leads would total \$12,600,000. These costs include those that are not reimbursable by insurance, including start-up costs, model dues (which must be paid to the developers of the home visiting program in order to use the program), training, out-of-pocket reimbursements, and administrative overhead. The Department calculated the estimated costs of \$600,000 per community lead by reviewing costs associated with other statewide universal home visiting programs. Based on the current home visiting implementation structure, the Department assumes that there will be 21 community leads.

By creating a universal newborn nurse home visiting program, Medicaid assumes that provider participation and service utilization would increase substantially. Assuming reimbursement through the universal program aligns with the Medicaid rate (\$188/home visit), provision of four visits (\$752) to the 32,159 households not receiving home visits today would have a fiscal impact of \$24.18 million total funds (\$12.83 million federal funds, \$11.35 million state general funds) annually. Between fiscal year 2026 and 2030, the total cost will be \$108.83 million total funds just for the Medicaid costs of the program (\$57.74 million federal funds, \$51.08 million State general funds).

If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron, Director of Governmental Affairs at <u>sarah.case-herron@maryland.gov</u>.

Sincerely,

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