

HOUSE BILL 725

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CF SB 468

By: **Delegate Henson**

Introduced and read first time: February 8, 2023

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Medical Assistance Program, Maryland Children’s Health Program,**
3 **and Community First Choice Program – Reimbursement of Service Providers**

4 FOR the purpose of altering the percentage reimbursement rate increase that is required
5 to be included in the Governor’s proposed budget for a certain fiscal year for providers
6 of certain health care services under the Maryland Medical Assistance Program, the
7 Maryland Children’s Health Program, and the Community First Choice Program;
8 requiring nursing homes to annually submit a certain cost report to the Maryland
9 Department of Health; requiring that a certain percentage of the funding increase
10 for a certain fiscal year be used to fund wage increases for certain workers; and
11 generally relating to the reimbursement of service providers under the Maryland
12 Medical Assistance Program, the Maryland Children’s Health Program, and the
13 Community First Choice Program.

14 BY repealing and reenacting, with amendments,
15 Article – Health – General
16 Section 16–201.4
17 Annotated Code of Maryland
18 (2019 Replacement Volume and 2022 Supplement)

19 BY adding to
20 Article – Health – General
21 Section 16–209
22 Annotated Code of Maryland
23 (2019 Replacement Volume and 2022 Supplement)

24 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
25 That the Laws of Maryland read as follows:

26 **Article – Health – General**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 16–201.4.

2 (a) (1) In this section the following words have the meanings indicated.

3 (2) “Provider” means a provider of:

4 (i) Nursing home services;

5 (ii) Medical day care services;

6 (iii) Private duty nursing services;

7 (iv) Personal care services;

8 (v) Home– and community–based services; and

9 (vi) Services provided through the Community First Choice program.

10 (3) “Rate” means the reimbursement rate paid by the Department to
11 providers of nursing home, medical day care, private duty nursing, personal care, and
12 home– and community–based services and services provided through the Community First
13 Choice program from the State General Fund, Maryland Medical Assistance Program
14 funds, other State or federal funds, or a combination of these funds.

15 (b) (1) The Governor’s proposed budget for fiscal year 2021 shall include a 4%
16 rate increase for providers over the funding provided in the legislative appropriation for
17 the immediately preceding fiscal year in Program M00Q01.03 Medical Care Provider
18 Reimbursements – Medical Care Programs Administration and Program M00Q01.07
19 Maryland Children’s Health Program – Medical Care Programs Administration.

20 (2) The Governor’s proposed budget for fiscal year 2022 shall include a 4%
21 rate increase for providers over the funding provided in the legislative appropriation for
22 the immediately preceding fiscal year in Program M00Q01.03 Medical Care Provider
23 Reimbursements – Medical Care Programs Administration and Program M00Q01.07
24 Maryland Children’s Health Program – Medical Care Programs Administration.

25 (3) The Governor’s proposed budget for fiscal year 2023 shall include a 4%
26 rate increase for providers over the funding provided in the legislative appropriation for
27 the immediately preceding fiscal year in Program M00Q01.03 Medical Care Provider
28 Reimbursements – Medical Care Programs Administration and Program M00Q01.07
29 Maryland Children’s Health Program – Medical Care Programs Administration.

30 (4) The Governor’s proposed budget for fiscal year 2024 shall include a
31 **[4%] 10%** rate increase for providers over the funding provided in the legislative
32 appropriation for the immediately preceding fiscal year in Program M00Q01.03 Medical
33 Care Provider Reimbursements – Medical Care Programs Administration and Program

1 M00Q01.07 Maryland Children's Health Program – Medical Care Programs
2 Administration.

3 (5) The Governor's proposed budget for fiscal year 2025 shall include a 4%
4 rate increase for providers over the funding provided in the legislative appropriation for
5 the immediately preceding fiscal year in Program M00Q01.03 Medical Care Provider
6 Reimbursements – Medical Care Programs Administration and Program M00Q01.07
7 Maryland Children's Health Program – Medical Care Programs Administration.

8 (6) The Governor's proposed budget for fiscal year 2026 shall include a 4%
9 rate increase for providers over the funding provided in the legislative appropriation for
10 the immediately preceding fiscal year in Program M00Q01.03 Medical Care Provider
11 Reimbursements – Medical Care Programs Administration and Program M00Q01.07
12 Maryland Children's Health Program – Medical Care Programs Administration.

13 (7) The Governor's proposed budget for fiscal year 2021 and each fiscal year
14 thereafter shall be presented in the same manner, including object and program
15 information, as in the fiscal year 2020 budget.

16 **16-209.**

17 (A) **ON OR BEFORE SEPTEMBER 1 EACH YEAR, BEGINNING IN 2024, EACH**
18 **NURSING HOME SHALL SUBMIT TO THE DEPARTMENT A COST REPORT IN THE FORM**
19 **AND MANNER REQUIRED BY THE DEPARTMENT.**

20 (B) **THE COST REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION**
21 **SHALL:**

22 (1) **INCLUDE:**

23 (I) **DOCUMENTATION OF WAGE DISBURSEMENT; AND**

24 (II) **ANY OTHER INFORMATION THE DEPARTMENT DETERMINES**
25 **IS APPROPRIATE; AND**

26 (2) **BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE**
27 **NURSING HOME UNDER PENALTY OF PERJURY.**

28 (C) (1) **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
29 **DEPARTMENT MAY TAKE APPROPRIATE ENFORCEMENT ACTION AGAINST A**
30 **NURSING HOME IF THE NURSING HOME:**

31 (I) **FAILS TO SUBMIT A COST REPORT AS REQUIRED;**

1 (II) SUBMITS AN INACCURATE, INCOMPLETE, OR INVALID COST
2 REPORT; OR

3 (III) FAILS TO PAY THE WAGES IN THE AMOUNT REQUIRED.

4 (2) THE ENFORCEMENT ACTION THAT THE DEPARTMENT MAY TAKE
5 UNDER PARAGRAPH (1) OF THIS SUBSECTION INCLUDES:

6 (I) RECOUPMENT BY THE DEPARTMENT OF FUNDING
7 RESULTING FROM THE REIMBURSEMENT RATE INCREASE PROVIDED FOR UNDER §
8 16-201.4(B) OF THIS SUBTITLE;

9 (II) IMPOSITION OF A CORRECTIVE PLAN;

10 (III) SUSPENSION OR TERMINATION FROM THE PROGRAM; OR

11 (IV) TERMINATION OF LICENSURE.

12 SECTION 2. AND BE IT FURTHER ENACTED, That:

13 (a) (1) 90% of the funding increase provided in the legislative appropriation
14 for fiscal year 2024 for Program M00Q01.03 Medical Care Provider Reimbursements –
15 Medical Care Programs Administration in subsection (b)(4) of § 16-210.4 of the
16 Health – General Article shall be used to fund wage increases for:

17 (i) health care workers;

18 (ii) staff working in a nursing home who provide direct care to
19 residents; and

20 (iii) support staff in a nursing home who provide direct care to
21 residents including housekeeping, laundry, nutritional, and activities services.

22 (2) Administrative staff and workers who do not provide direct care to
23 residents are not eligible to take part in the wage increase provided for under paragraph
24 (1) of this subsection.

25 (b) Nursing home providers who receive funding increases in accordance with §
26 16-201.4(b)(4) of the Health – General Article, as enacted by Section 1 of this Act, shall
27 document the disbursement of the funds.

28 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
29 1, 2023.