



**Maryland Department of Health Developmental Disabilities Administration**  
**Fiscal Year 2023 Operating Budget**  
**Response to Department of Legislative Services Analysis**

**House Appropriations Committee**  
**Health and Social Services Subcommittee**  
**Delegate Kirill Reznik**  
**March 2, 2022**

**Senate Budget and Taxation Committee**  
**Health and Human Services Subcommittee**  
**Senator Melony Griffith**  
**March 3, 2022**

The Department thanks the Governor, the Department of Budget and Management, and the Budget Committees for their support in 2020 and in 2021 with COVID-19 response efforts. We thank the Department of Legislative Services for its insightful budget analysis.

**MDH should comment on the efforts that the department is taking to increase utilization of the available slots as current numbers show a number of authorized waiver slots are not utilized. Additionally, MDH should comment on the impact of unfilled slots on the ability to use the 10% eFMAP to expand waiver slots and provide updated cost estimates per waiver program. (pg. 6)**

**MDH Response:** We are using the Maryland Access Point (MAP) service provided by the Maryland Department of Aging to effectively use all slots. Funded by the Administration for Community Living, the U.S. Centers for Medicare & Medicaid Services (CMS) and General funds, Maryland developed the MAP program to streamline access to long term care (LTC) information and community-based services. The MAP serves as the Aging and Disability Resource Center (ADRC) and is meant to streamline access to LTC information, address eligibility and provide access to services in order to help redirect those with LTC needs from institutions to the community.

There are 20 MAP agencies serving Maryland residents statewide, providing coordination and front-line assistance for people seeking alternatives to institutional LTC. These programs, in partnership with local Area Agencies on Aging (AAA), provide a Single-Entry Point/No Wrong Door approach to accessing benefits, programs and services aimed at diverting those with LTC needs from an institutionalized setting.

The DDA-operated Medicaid Waiver programs include reserved waiver capacity. Reserving waiver capacity allows some waiver openings (i.e., “slots”) to be set aside for persons who will be admitted to the waiver on a priority basis for the purpose(s) identified by the state. If capacity is not reserved, then all waiver openings are considered available to all target group members who apply for waiver services and are eligible to receive them. Reserved capacity is not available to persons who are not in the state-specified priority population. Examples of appropriate purposes for which capacity may be reserved include (but are not limited to):

- Setting aside capacity to accommodate the community transition of institutionalized persons (e.g., through a “Money Follows the Person” initiative). In this case, reserving capacity ensures that there is waiver capacity available when individuals are ready to transition to the community transition;
- Reserving capacity to accommodate the transition of individuals from other waivers;
- Reserving capacity to accommodate individuals who may require services due to a crisis or emergency; and,
- Providing for the transition of individuals who age out of another waiver or other services (e.g., youth who age out of child welfare services) in order to ensure the continuity of their services

The DDA operated Medicaid Waivers programs reserved slots includes slots for individuals with:

- Court Involvement;
- Emergency;
- Department of Human Services Age Out;
- MSDE Residential Age Out;
- Families with Multiple Children on the Waiting List;
- Money Follows the Person;
- Military Families;
- Family Supports Waiver Participants with New Service Need;
- Community Supports Waiver Participant with Increased Need;
- Previous Waiver Participant with a New Service Need;
- Psychiatric Hospital Discharge;
- State Funded Conversions;
- Transition Youth; and
- Waiting List Equity Fund.

The Community Pathways Waiver (CPW) has 775 reserved slots annually;  
The Community Supports Waiver (CSW) has 478 reserved slots annually; and  
The Family Supports Waiver (FSW) has 28 reserved slots annually.

In an effort to increase utilization of the FSW, the DDA is working on Coordinators of Community Services (CCS) to support new applications to this program.  
The latest numbers regarding approved slots vs. filled slots and cost to fill slots for the three waivers is reflected in the table below.

Waiver	FY 22 Approved	Most Recent Filled	Cost
CPW	15,800	15,494	\$1,262 to \$135k (supp, meaningful day, res)

<b>CSW</b>	1,590	1,432	\$18k to \$1,262 (meaningful day, support)
<b>FSW</b>	400	314	\$18k to \$1,262 (meaningful day, support)

**DDA should comment on the current status of the waitlist. (pg. 8)**

**MDH Response:** The most recent waiting list/registry count (by priority category for DD eligible and active) as of 2/16/2022 is:

<b>Crisis Resolution</b>	7
<b>Crisis Prevention</b>	176
<b>Current Request</b>	3,545
<b>Total</b>	3,728

Total number of individuals taken off of the waiting list annually in fiscal years 2020, 2021, and 2022 YTD is:

<b>FY</b>	<b>CPW</b>	<b>CSW</b>	<b>FSW</b>	<b>State Funded</b>	<b>Deactivated</b>	<b>Total</b>
2020	1,047	317	227	N/A	114	1,735
2021	629	502	44	1	91	1,267
2022	120	291	16	N/A	84	511

\* Revised on 2/16/2022

\*\* Deactivated refers to people who are no longer interested in services including individuals who have moved to another state or deceased.

**MDH should comment on any progress in considering options to adjust statute to expand the allowable uses of the WLEF to reduce the growing balance. (pg. 8)**

**MDH Response:** The Department has statutory language drafted that will achieve this goal and is always willing to engage in dialogue with any interested legislator or stakeholder on the Waiting List Equity Fund.

**MDH should comment on why the additional federal funds from the first three quarters have not been added to the budget. (pg. 9)**

**MDH Response:** We are currently working on the 2<sup>nd</sup> quarter projection, and developing a federal fund (FF) deficiency estimate. As appropriate, we will have further discussions with partner state agencies.

**MDH should update the committees on the planned expenditures by fiscal year for rate increases and other enhancements. (pg. 10)**

**MDH Response:** As outlined in the DLS analysis, MDH used 75 percent of the reinvestment monies from the enhanced match in American Rescue Plan Act on a 5.5 percent rate increase. The rate increase was retroactive to April 1, 2021. As previously discussed, we intend to use ARPA funds as long as available, which is currently estimated to go through early CY2024. States are prohibited from using the enhanced funds to supplant any activities that started before April 1, 2021.

CMS approved \$60 million for provider grants. \$50 million has been earmarked for noncompetitive grants while the remaining \$10 million has been earmarked for competitive grants. We are working on distributing the \$50 million identified for noncompetitive grants and are working with stakeholders to determine the parameters for the \$10 million competitive grant monies (e.g., amount, how many, targeted uses).

Our latest proposed spending plan can be found here:  
<https://health.maryland.gov/mmcp/Pages/Public-Notices.aspx>.

**MDH should provide an update on the vaccination rates within the DD population and staff, plans to encourage the DD community to receive boosters, and impacts of the recent Omicron surge on the number of individuals that tested positive and total deaths among DDA participants. (pg. 16)**

**MDH Response:** The Department provided the following information to the Department of Legislative Services regarding COVID-19 data:

- **16,407 out of an estimated 20,346 (80.64%)** individuals known to the DDA have been vaccinated. As of February 28, 2022, there are 5,195 DDA participants (out of an estimated 20,346) who have received their boosters.
- 14,949 direct support staff and 3,518 administrative staff have been vaccinated, as reported to the DDA through our provider surveys.
- Since March 2020, 3,250 COVID cases have been reported from individuals receiving DDA services. There have been 131 confirmed COVID-19 deaths, including 14 direct support staff.
- Please note that this information is based on surveys from the 278 providers responding to DDA surveys.

The Department has encouraged all DD providers to ensure that their staff have the opportunity to be vaccinated, and made available the ability to request MDH mobile vaccination clinics through <http://governor.maryland.gov/govaxmobile> or 1-855-MD-GoVAX.

MDH requires all providers and operators of DDAGroup Homes to offer their residents the opportunity to receive an additional dose or booster through a MDH Order (pg. 4, <https://health.maryland.gov/phpa/Documents/2021.12.15.02%20-%20MDH%20Order%20-%20Amended%20Vaccination%20Matters%20Order.pdf>).

All Marylanders, including individuals with developmental disabilities, are encouraged to get a COVID-19 booster shot and be included in a drawing in the current VaxCash 2.0 promotion

(<https://www.mdлотtery.com/promotion/vaxcash-2/>). Maryland continues its booster outreach through targeted communications campaigns that contact eligible individuals by phone, text, email, and social media/traditional communications channels. MDH partnered with the Maryland Developmental Disabilities Council to create several targeted flyers to encourage Marylanders with developmental disabilities to get vaccinated, boosted, and tested to remain protected against this deadly disease.

**The fiscal 2023 allowance does not provide funds to begin implementation of such [the LTSS] transition. The department should discuss over what time frame it intends to implement the new rates and how it will do so in a manner that is affordable to the State. The department should also discuss how it will balance phasing in the new payment system while continuing to expand the number of people served during the rollout. (pg. 19)**

**MDH Response:** Supplemental Budget No. 1 (item 27 - M00M01.02) provided \$85M in federal funds (ARPA Savings) for the Home and Community-Based Services rate increase and transition to *LTSSMaryland-DDA Module*.

<https://dbm.maryland.gov/budget/Documents/operbudget/2023/proposed/FY2023-Supplemental-Budget-No1.pdf>

The Department intends to transition additional DD providers into the *LTSSMaryland-DDA Module* in Calendar Year 2022 by using ARPA grants and reinvestment to incentivize and accelerate the transition. We intend to proceed in the following four phases with three discrete provider groups:

- Phase I/Group A -- A six-month expanded, voluntary, pilot of providers beginning in the first half of 2022 as required by SB796 (2020, Ch. 7 of 2021).
- Phase II/Group B – A secondary pilot for voluntary, interested providers in the beginning of FY2023
- Phase III– Assessment and implementation planning to guide network-wide go-live timeline
- Phase IV – Network-wide provider/regional-based go-live beginning in the fourth quarter of CY2022, with final go-live to be determined.

**MDH should comment on the status of the finalized rates as well as when the general fund spending forecast using these finalized rates will be available. (pg. 21)**

**MDH Response:** Currently Providers are working on the fiscal impact analysis tool (FIAT) to determine the impact of the new rates on their revenue. Once they have completed the FIAT tool the information will be validated and analyzed by Hilltop for accuracy. Hilltop will also aggregate the data to provide a universal impact of the rates. Once Hilltop has completed this work, MDH will be able to forecast the impact that these new rates will have on the General Funds. The goal/plan is to upload final rates into LTSS in April 2022. We will fine-tune our general funds forecast once we have the final rates.

**MDH should comment on whether providers can utilize the data exchange features currently and if not, when these features will be available for use. DLS recommends language restricting funds pending submission of a report on the continuing transition to the LTSS system. In addition, DLS recommends committee narrative requesting submission of monthly utilization data. (pg. 21, pg. 22, #1) Further, DLS recommends the release of the \$1.0 million**

**in general funds restricted pending the submission of this report and will process a letter to this effect if no objections are raised by the subcommittees. (pg. 21)**

**MDH Response:** The Department respectfully does not agree with this recommendation. We have regular meetings with stakeholders in the DD provider community as well as the Developmental Disabilities Coalition on these subjects. We are happy to work with DLS and requests for information, but we have not been approached on this subject.