



**Maryland Department of Health (MDH) Office of Health Care Quality**  
**M00B0103**

**Fiscal Year 2024 Operating Budget**  
**Response to Department of Legislative Services Analysis**

**Senate Budget and Taxation Committee**  
**Health and Human Services Subcommittee**  
**Senator Cory McCray**  
**February 9, 2023**

**House Appropriations Committee**  
**Health and Social Services Subcommittee**  
**Delegate Kirill Reznik**  
**February 8, 2023**

The Department thanks the Governor, the Department of Budget and Management, and the Budget Committees for their support. We thank the Department of Legislative Services for its insightful budget analysis.

**OHCQ should discuss the planned use of fiscal 2023 savings from higher-than-budgeted turnover and other efforts underway to improve hiring and retention. Given OHCQ's recent history of vacancy rates above 10%, the current budgeted turnover rate of 0% is significantly out of step with the Department of Legislative Services' (DLS) expectation for this office. Therefore, DLS recommends increasing the budgeted turnover for existing positions to 7%. (pg. 9)**

**MDH Response:**

The Department respectfully disagrees with the recommendation to implement a 7 percent budgeted turnover rate for OHCQ and supports Governor Moore's budget.

Since the fall of 2022, OHCQ has seen a significant increase in the number of qualified candidates for Health Facility Surveyor Nurse I positions. OHCQ has filled a total of 53 (inc. 47 merit) positions since July 1, 2022, including 39 (36 merit) surveyors. As of January 31, 2023, OHCQ has 25 vacant merit positions. Currently, OHCQ is conducting interviews for 21 positions (all surveyors).

In FY19, the starting salary of a Health Facility Surveyor Nurse I was \$57,451. Through two grade increases, two step increases, and multiple cost of living increases, the starting salary is now \$77,364. After one year of successful employment, the nurse surveyor receives a 6.7% increase to \$82,573. Salaries for triage staff, non-nurse surveyors, coordinators, and program managers also increased, as much as 24%. In January 2019, OHCQ relocated from a building constructed in the 1930's to a Class A office building with free parking in Columbia. The salary increases coupled with the new location have significantly improved recruitment and retention.

Staff satisfaction and retention has significantly improved with the creation of multiple promotional opportunities, flexible work schedules, part-time positions, tuition reimbursement, and increased teleworking. Other initiatives have included the strategic implementation of technology; a welcome aboard program; promoting work-life balance; cloud-based policies, procedures, and resources; mentoring and reverse mentoring; and supervisory and leadership training.

To the extent that there are vacancy savings, those general funds will be needed to account for an anticipated decreased federal match for Nurse Surveyor hires. The Department is not able to generate a federal match for most of these hires until they finish mandated training, which can take up to 12 months. The budgeted fund split for the merit positions does not fully account for the volume of new hires whose payroll will be charged 100% to general funds in FY 2024. Any vacancy savings also would be used to support additional special payments payroll support to triage existing mandates and help address new ones.

**OHCQ should comment on whether actual fiscal 2022 survey data is fully reconcilable and when the office expects to provide the fiscal 2024 MFR submission and fiscal 2022 annual report. DLS also recommends adopting committee narrative requesting a status update and timeline for the reconciliation process as well as requesting the fiscal 2022 actual performance data.**

**MDH Response:**

The Department respectfully requests that the committee not adopt the proposed committee narrative requesting a status update and timeline for the reconciliation process as well as requesting the fiscal 2022 actual performance data. MDH commits to providing this requested information in OHCQ's next annual report and we are on track with resolving these actions by the end of FY23.

OHCQ did not lose any licensure, certification, or survey data as a result of the MDH network security incident. No surveys had to be restarted or repeated. All of the federal certification data

has been entered and the state licensure data entry is nearing completion. The MFR data related to FY22 is expected by the following dates:

- Long term care: February 28, 2023
- Developmental disabilities: April 25, 2023
- Assisted living: May 30, 2023

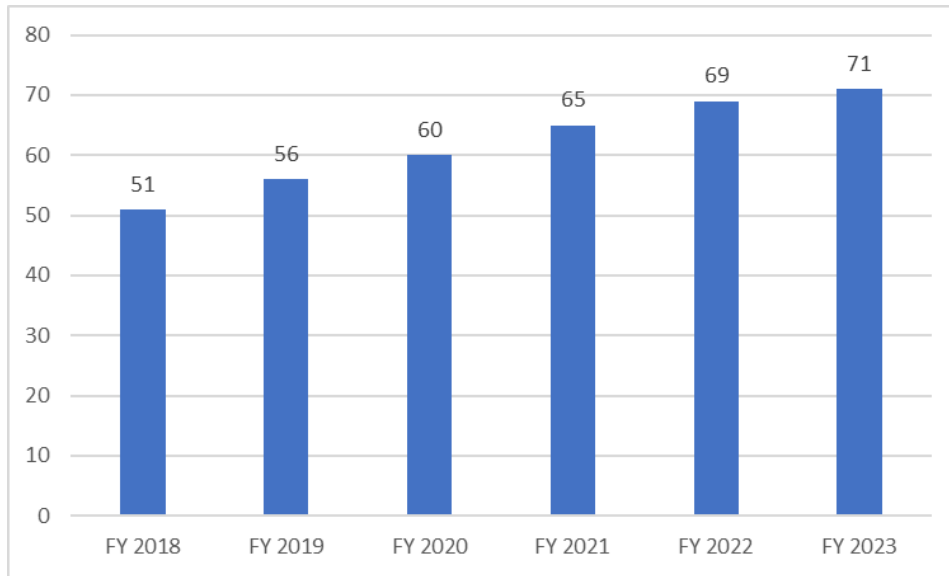
We are unclear about what “fully reconcilable” means, but as noted above, no licensure, certification, or survey data was lost. At this point, it is a data entry and validation process.

**OHCQ should explain why positions were transferred from the Long Term Care Unit and DDU in fiscal 2024 despite its consistent prioritization for new positions in the seven-year staffing plan.**

The FY 2024 Allowance budgets 69 state merit positions in the Long Term Care Unit, two less than the 71 positions in the current year FY 2023 budget. That two-position difference reflects the realignment of two positions to triage and investigate alleged sexual assault of teenagers and adults in hospitals and residential treatment centers, which is a new federal reporting requirement. The Allowance reflects a specific point-in-time staffing snapshot that reflected this realignment. Already, OHCQ is in the process of transferring two vacant state merit positions back to the Long Term Care Unit. Position transfers across all units will continue to happen to best protect the health and safety of Marylanders.

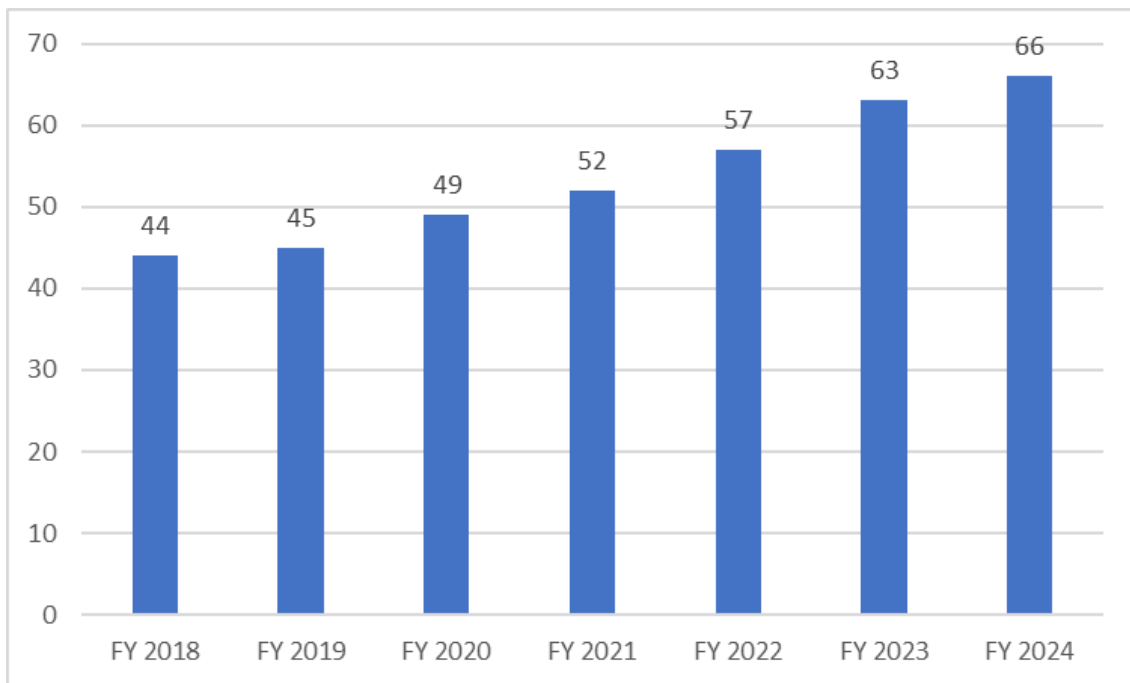
When looking at staffing for the Long Term Care Unit over time, we do see a steady, significant staffing level increase since the staffing plan was implemented in FY18.

### Long Term Care Unit Budgeted State Merit Positions, FY 2018 through FY 2023



The Department sees 66 state merit positions budgeted in the Developmental Disabilities Unit in the FY 2024 Allowance, three more than the 63 positions that are budgeted there in the current year. The chart below shows how staffing levels for this unit likewise have increased steadily following adoption of the staffing plan.

### Developmental Disabilities Unit Budgeted State Merit Positions, FY 2018 through FY 2024



**The office should also comment on:**

- **total staffing adequacy following the addition of 50 new positions from fiscal 2020 through the fiscal 2024 allowance;**

**MDH Response:** Please see the response to the following question.

- **how OHCQ is assessing staffing needs to improve the office's performance on mandated inspection goals beyond fiscal 2024; and**

**MDH Response:**

OHCQ's Quality Initiatives Team and health policy analysts collect and analyze survey data that is reviewed by each unit monthly and by the senior staff on a quarterly basis. Note that OHCQ has transferred provider types to the federal unit to offload the developmental disabilities unit. Also, OHCQ is not mandated to conduct initial on-site surveys for every residential service agency application. Based on the application packet, OHCQ may conduct an on-site initial survey. This resulted in the ability to transfer two vacant nurse surveyor PINs from the Federal Unit to the Long Term Care Unit.

The needs of OHCQ's five units are reassessed every month. Based on OHCQ's current needs, the ten new PINs in FY24 will be allocated as follows:

- 5 long term care nurse surveyors
- 1 assisted living nurse surveyor
- 2 developmental disabilities nurse surveyors
- 1 developmental disabilities surveyor
- 1 developmental disabilities coordinator

Based on the current projections and staffing, it is anticipated the Federal Unit will meet all federal and State mandates in FY24. With the exception of the Forensic Genetic Genealogy Searches (FGGS) program, the Clinical and Forensic Laboratories Unit is expected to meet all federal and state mandates in FY23. The unit has met all of the federal mandates in FY18 through FY21.

In FY22, the number of developmental disability agencies increased 9.5% and the number of sites increased 12.5%. Based on the past decade, the rate of growth will either significantly slow or decrease. If so, then the developmental disabilities unit is expected to meet the state mandates by the end of FY 25. The assisted living unit is expected to meet the State mandates by the end of FY25.

Currently, interviews are being conducted for the long term care unit's remaining vacancies (5 nurse surveyors and 1 surveyor for resident funds). OHCQ is projecting the number of federal and State nursing home mandates and the amount of time required for each survey activity. OHCQ's nursing instructors and the quality initiatives team continue to identify ways to gain efficiency while remaining effective and complying with the required survey processes. OHCQ's annual report will contain additional details about the projected staffing needs in this unit.

- **whether a new staffing study and plan is in progress. (pg. 15)**

**MDH Response:**

Yes, we are at the very beginning stages of developing a new staffing study and plan. We look forward to providing updates as it takes shape.