



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

**MARYLAND DEPARTMENT OF AGING
FISCAL YEAR 2026 OPERATING BUDGET HEARINGS
RESPONSE TO DEPARTMENT OF LEGISLATIVE SERVICES ANALYSIS**

**HOUSE APPROPRIATIONS COMMITTEE
HEALTH AND SOCIAL SERVICES SUB-COMMITTEE
Delegate Emily K. Shetty, Chair
Delegate Dana Jones, Vice-Chair**

January 30, 2025

**SENATE BUDGET & TAXATION COMMITTEE
HEALTH AND HUMAN SERVICES SUB-COMMITTEE
Senator Cory V. McCray, Chair**

January 31, 2025

Thank you for the opportunity to appear before the Committee as you review the proposed operating budget for the Maryland Department of Aging (MDOA) for fiscal year 2026. MDOA thanks our assigned DLS analyst, Victoria Martinez for her thoughtful and thorough analysis as well as the area agencies on aging that work tirelessly to deliver direct programming and support to thousands of older adults in Maryland every day.

Agency Overview:

The Maryland Department of Aging (MDOA) functions as the State Unit on Aging as designated by the Administration on Community Living within the U.S. Department of Health and Human Services. MDOA receives federal and state funding to serve older adults, their families, and caregivers through planning, advocacy, policy and legislation. MDOA distributes funding to the aging services network across Maryland, including to 19 local Area Agencies on Aging (AAA). Funding, as designated through the Older Americans Act of 1965, focuses on older people who are in greatest economic and/or social need. Essential services funded through the MDOA and administered by the aging services network include information and referral, nutrition, community-based supportive services, and advocacy. MDOA provides fiscal and programmatic

oversight of aging services network grantees including the AAAs, who provide the bulk of the funded services at the local level. More than **900,000 Marylanders** have received support and assistance through the aging services network in FY24.

MDOA's vision is to transform institutions, systems, and norms so all older adults lead lives that are healthy, financially secure, socially connected, and purposeful for the 100-year lifespan. MDOA along with its network, is working tirelessly to prepare for the growing population of older adults by developing innovative approaches to aging, advancing multisector collaborations, and providing equitable access to resources for all Marylanders.

MDOA's FY2026 budget reflects the challenges and opportunities of serving Maryland's aging population today and building a sustainable, cost-effective network of services and supports for the future. It reflects follow through on an MDOA priority to rebuild the agency, hiring more capable staff to fill vacancies. MDOA has also improved its funds management processes, enhanced partner relationships and conducted program and fiscal analysis across functions for what works well and what needs further improvement. MDOA continues to leverage significant valuable outside technical assistance opportunities to further expand capacity on key work efforts. MDOA has also won competitive grant opportunities with sister agencies and aging network partners to pilot and expand promising models, such as the CAPABLE (Community Aging in Place - Advancing Better Living for Elders) model, for supporting older adults in their home communities.

Key Comments to DLS Operating Budget Analysis

Page 3 - Veteran's-Directed Care Program - MDOA seeks to clarify the status of this prior funding and programming. Historically MDOA has received funding for the Veterans-Directed Care (VDC) Program from the U.S. Department of Veterans Affairs and utilized staff and subcontracted partners to coordinate direct services to qualifying veterans statewide. Due to fiscal and program management challenges in recent years, MDOA determined that it was not the right home for these funds and transitioned all work under the program to its former subcontractor, Bay Aging as of July 1, 2024. Bay Aging serves in this statewide coordinating hub role in multiple other states and continues to use at least one major subcontractor that MDOA utilized for in person visits, assessments with veterans. The veterans receiving these funds were notified and a smooth transition of the coordinating role has occurred. MDOA's senior staff remains responsive to inquiries around the program, directing them where appropriate to Bay Aging leadership. During FY2025 MDOA is and has been conducting closeout of the outstanding payments but moving forward in the FY2026 state budget cycle will receive no funding from the U.S. Department of Veterans Affairs for this program. MDOA will work closely with DBM to reflect these changes in the budget.

Page 9 - Vacancies and Personnel Data - MDOA has 7 new positions in the FY2026 budget: a new information technology director position and six contractual conversions, which are intended to be cost-neutral. Since December 31, 2024 multiple new hires have begun work, filling critical roles capably. MDOA only has three current vacancies that are not already assigned to a planned contractual conversion. MDOA has regularly been forced to conduct multiple recruitments for key positions and revise job descriptions in the past two years. \$472,000 of the personnel funding increase in FY2026 reflects salary increases for vacant positions to facilitate the successful hiring of qualified staff and structural increases in salaries that occurred in FY2025.

DLS Key Observations, Recommendations with MDOA responses:

Page 14 - 15: The department should explain the reasons for the significant increase in participation in fiscal 2023, provide the number of individuals that were disenrolled from the program from fiscal 2023 to 2024, discuss the common reasons for disenrollment and why participation in Senior Care in fiscal 2024 decreased while the waitlist continued to increase, and discuss current efforts to efficiently enroll individuals from the waitlist into newly open slots.

In the past year the Department has hired and onboarded two new key staff members, a Client and Community Services Director and a Senior Care Program Manager. The Senior Care program manager position had been vacant for approximately one year prior. MDOA's two new hires have closely reviewed all available Senior Care program data and records. This analysis informs the most recent updates shared with DLS since the 2024 Joint Chairmen's Reports on Senior Care utilization was filed. Upon recent review, it appears there may have been unintentional duplication in prior Senior Care data showing case management and other Senior Care services received. Further, MDOA acknowledges that Senior Care data reporting, management and analysis have been inconsistent in prior years. MDOA leadership and new experienced program staff are making improved data collection and analysis for the consolidated Supporting Older Adults with Resources program a leadership priority going forward.

Over FY24, MDOA worked closely with the AAA network regarding Senior Care enrollment, waitlist management, and program redesign to allow for utilization of one-time funding. With MDOA approval, one jurisdiction re-designed and implemented a case management/care coordination program in conjunction with other community-based organizations and their local hospital, uncovering an unmet need within that jurisdiction and leading to increased waitlist numbers of approximately 1,000 people. Additionally, another jurisdiction began maintaining a waitlist with the increased funding when previously, they did not, also leading to higher waitlist numbers than the previous year.

To clarify the question regarding disenrollment of Senior Care participants from FY23 to FY24; participants were not “disenrolled” from the program. The difference represented those that actually received one time only gap-filling services. If the FY23 service delivery (gap filling service) served the needs of the participants with no other service requested, these participants were not counted again in FY24, hence lowering the number of persons in FY24 that needed ongoing gap filling and/or case management services.

Page 16: Due to the fiscal 2025 working appropriation reflecting a level of funding more than \$4 million beyond actual fiscal 2024 spending, the Department of Legislative Services (DLS) recommends reducing \$2.5 million in general funds budgeted for the Senior Care program in fiscal 2025 to better reflect actual spending in recent years. This reduction would allow for a gradual increase in Senior Care funding from \$8.7 million spent in fiscal 2024 to \$13.2 million in the fiscal 2026 allowance. MDOA should discuss efforts to ensure that Senior Care funding will be fully spent in fiscal 2026, including strategies that it is implementing to assist local AAAs in expending funding.

MDOA opposes this DLS recommendation. The Senior Care program has been subjected to significant funding volatility in recent years. As addressed in the DLS analysis, uncertainty around continuation of funds has already resulted in operational challenges and inability to fully expend funds at the area agency on aging level. AAAs have already budgeted and planned for the expenditure of all FY2025 Senior Care funds, which include staffing costs and overall service projections. MDOA last year began holding mid-year fiscal check-in meetings with all AAAs to assist them in spending down their federal and state funds efficiently. These mid-year check-ins are currently underway. Ultimately, a late in the fiscal year reduction in remaining Senior Care funds will be a significant obstacle, resulting in potential staffing and service reductions locally. At a time of increased uncertainty around federal funding for a variety of core supports for older adults, this type of state gap-filling service is critical to maintain to support older adults living in their homes. With its departmental bill HB36/SB212 to consolidate the Senior Care program with the Senior Assisted Living Subsidy Program and Congregate Housing Service Program is proactively working to reform and improve these three state-funded programs so that they can serve more older adults with the same amount of funds. Additional time to see this transition through is needed without additional funding reductions.

Page 20: MDOA Plans to Implement Recommendations Provided by the Task Force on Preventing and Countering Elder Abuse

MDOA’s senior staff and the long-term care ombudsman participated directly in the Task Force on Preventing and Countering Elder Abuse’s (the “Task Force”) meetings and contributed to the

final report. MDOA leadership has closely reviewed the interim and final recommendations provided by the Task Force and met with the Task Force's Chair, Andrew Rabinowitz and key other members to discuss the recommendations in 2024. MDOA requested that the Longevity-Ready Maryland stakeholder workgroups that met throughout fall 2024 review the Task Force's report. MDOA has included the Task Force's recommendations as part of the strategies in the current draft Longevity-Ready Maryland plan and anticipates that they will be incorporated into the final Longevity-Ready Maryland Report to the Governor and General Assembly in July, 2025. The final Longevity-Ready Maryland report will drive MDOA's legislative and non-legislative policy change efforts over the next 10 years. With respect to the Task Force's report, some recommendations involve work that exceeds the scope of MDOA's role. Thus, MDOA plans to work with relevant state agency partners on certain recommendations in the years to come. MDOA's Longevity Ready Maryland leadership and workgroup will continue to work towards prioritizing the Task Force recommendations.