

# HOUSE BILL 509

J1, O3

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CF 4lr1533

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By: **Delegates Kaiser, Crutchfield, Cullison, Fair, Guyton, Healey, Kaufman,  
Pasteur, Ruth, Taveras, Taylor, Terrasa, Watson, and Williams**

Introduced and read first time: January 24, 2024

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Developmental Disabilities – Community Providers – Federal Participation for**  
3 **Local Funds**

4 FOR the purpose of requiring the Maryland Department of Health to develop a process to  
5 receive federal financial participation for the payment of county or municipal general  
6 funds appropriated to community providers that serve individuals with  
7 developmental disabilities; requiring the Department to allocate the federal financial  
8 participation to the community providers to which the county or municipality  
9 general funds were appropriated; and generally relating to funding for community  
10 providers serving individuals with developmental disabilities.

11 BY repealing and reenacting, with amendments,  
12 Article – Health – General  
13 Section 7–307  
14 Annotated Code of Maryland  
15 (2023 Replacement Volume)

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

18 **Article – Health – General**

19 7–307.

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

21 (2) “Community direct service worker” means an employee of a community  
22 provider that provides treatment or services to developmentally disabled individuals.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) "Community provider" means a community-based agency or program  
2 funded by the Administration to serve individuals with developmental disabilities.

3 (4) "Rate" means the reimbursement rate paid by the Department to a  
4 community provider from the State General Fund, Maryland Medical Assistance Program  
5 funds, other State or federal funds, or a combination of funds.

6 (b) Notwithstanding the provisions of this title or any other provision of law, the  
7 Department shall reimburse community providers as provided in this section.

8 (c) Subject to subsection (d) of this section, the Department shall increase the rate  
9 of reimbursement for community service providers each fiscal year by the amount of rate  
10 increase included in the State budget for that fiscal year.

11 (d) (1) The Governor's proposed budget for fiscal year 2019 shall include a  
12 3.5% rate increase for community service providers over the funding provided in the  
13 legislative appropriation for Object 08 Contractual Services in Program M00M01.02  
14 Community Services for fiscal year 2018.

15 (2) The Governor's proposed budget for fiscal year 2021 shall include a 4%  
16 rate increase for community service providers over the funding provided in the legislative  
17 appropriation for Object 08 Contractual Services in Program M00M01.02 Community  
18 Services for fiscal year 2020.

19 (3) The Governor's proposed budget for fiscal year 2022 shall include a 4%  
20 rate increase for community service providers over the funding provided in the legislative  
21 appropriation for Object 08 Contractual Services in Program M00M01.02 Community  
22 Services for fiscal year 2021.

23 (4) The Governor's proposed budget for fiscal year 2023 shall include a 4%  
24 rate increase for community service providers over the funding provided in the legislative  
25 appropriation for Object 08 Contractual Services in Program M00M01.02 Community  
26 Services for fiscal year 2022.

27 (5) The Governor's proposed budget for fiscal year 2024 shall include a 4%  
28 rate increase for community service providers over the funding provided in the legislative  
29 appropriation for Object 08 Contractual Services in Program M00M01.02 Community  
30 Services for fiscal year 2023.

31 (e) The Governor's proposed budget for fiscal year 2016 and thereafter for  
32 community service providers shall be presented in the same manner, including object and  
33 program information, as provided for in the fiscal year 2015 budget.

34 (f) A portion of the funds in subsection (e) of this section may be allocated to  
35 address the impact of an increase in the State minimum wage on wages and benefits of  
36 direct support workers employed by community providers licensed by the Developmental  
37 Disabilities Administration.

1           **(G) (1) THE DEPARTMENT SHALL DEVELOP A PROCESS TO RECEIVE**  
2 **FEDERAL FINANCIAL PARTICIPATION FOR THE PAYMENT OF COUNTY OR MUNICIPAL**  
3 **GENERAL FUNDS APPROPRIATED TO COMMUNITY PROVIDERS BY:**

4                   **(I) ESTABLISHING OR MODIFYING DEPARTMENT RESOURCES,**  
5 **RATES, PRACTICES, OR SOFTWARE SYSTEMS; AND**

6                   **(II) COORDINATING WITH THE FEDERAL CENTERS FOR**  
7 **MEDICARE AND MEDICAID SERVICES.**

8           **(2) THE DEPARTMENT SHALL ALLOCATE THE FEDERAL FINANCIAL**  
9 **PARTICIPATION RECEIVED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE**  
10 **COMMUNITY PROVIDERS TO WHICH THE COUNTY OR MUNICIPALITY GENERAL**  
11 **FUNDS WERE APPROPRIATED.**

12           **(3) ON OR BEFORE DECEMBER 1, 2024, AND EVERY 6 MONTHS**  
13 **THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GENERAL**  
14 **ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE,**  
15 **THAT DESCRIBES:**

16                   **(I) ACTIONS TAKEN BY THE DEPARTMENT TO SATISFY THE**  
17 **REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION;**

18                   **(II) THE TIME, DEADLINES, AND RESOURCES REQUIRED FOR**  
19 **THE DEPARTMENT TO SATISFY THE REQUIREMENTS OF PARAGRAPH (1) OF THIS**  
20 **SUBSECTION; AND**

21                   **(III) PROGRESS MADE BY THE DEPARTMENT TO SATISFY THE**  
22 **REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION.**

23           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
24 1, 2024.