

Updates to the Maryland FY22 Budget as of April 5, 2021

The conference committee, with select members of both the House and Senate, made changes to the FY22 Budget Bill. Included in changes to the budget were a requirement that the 10% increase to Home and Community Based Services (HCBS) Federal Medical Assistance Percentage (FMAP) funds attributable to the DDA must remain within the DDA and be used for specific purposes, **including a one-time retroactive rate increase for providers of community services, coordinators of community supports, and self-directing participants**. There are also some funds set aside for special grants and for DDA to use for administrative purposes. This funding was provided from the most recent Federal Stimulus Package, the American Rescue Plan Act.

The deadline for the budget to be passed is today.

For a link to the full 300 page bill, [please click here](#).

Highlights of the Budget Bill include:

D15A05.05 Funding for a Coordinator of Autism Strategy: \$53,330 (Page 14)
Position will be within the Governor's Office of Community Initiatives

M00M 01.01- M00M 15.01 Developmental Disabilities Administration (Pages 96-102)

- A 4% rate increase for Community Services rates.
- \$23 million to support 600 Transitioning Youth in Maryland (this is an estimated number. All TYs who are eligible will be able to access DDA services with this funding)
- \$2.37 million to support approximately 39 people for people in Emergencies (in need of immediate support)
- \$13.7 million to support approximately 296 People on the Waiting List in the Crisis Resolution and Crisis Prevention Categories.
- \$6.3 million to support approximately 38 people from the Waiting List Equity Fund (priority will be given to people with the oldest caregivers).
- \$4.1 million to support approximately 21 young adults aging out of DSS placements.
- \$5.5 million to provide 2,000 individual and families with LISS funds.



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Highlights in the bill language to address how the enhanced FMAP should be used:

- At least 75% of federal funds attained by DDA resulting from any enhancement to the FMAP for home - and community -based services authorized in the American Rescue Plan Act of 2021 may be expended only on a one -time rate increase paid to community providers that are reimbursed under program M00M01.02 and are licensed, certified, or approved under Section 7 of the House General Article, including coordinators of community services.
- DDA shall apply the rate increase retroactively to all services provided in the first two quarters of fiscal 2020 and shall pay community providers the rate increase in at least two payments.
- DDA shall disburse the first payment no later than October 7, 2021, and the final payment no later than April 7, 2022.
- Remaining federal funds attained from any enhancement to the FMAP for home - and community -based services authorized in the American Rescue Plan Act of 2021 may be expended only on:
 1. A commensurate one -time rate increase applied to services provided in the first two quarters of fiscal 2020 for individuals enrolled in self-directed services as of October 1, 2021;
 2. Grants to community providers and nonprofit organizations reimbursed under program M00M01.02 for the development of resources and infrastructure to enhance independence and inclusive opportunities, which shall include and not be limited to development of models to provide independent affordable housing, expanded use of technology, and technical assistance from subject matter experts, for individuals who receive DDA -funded services; and
 3. Certain allowable administrative costs.

Further provided that no more than 5% of federal funds attained by DDA resulting from any enhancement to the FMAP for home - and community -based services authorized in the American Rescue Plan Act of 2021 may be expended for administrative costs, which shall be restricted to expenses to expedite new placements in DDA -funded home - and community -based services and to improve the processing of person -centered plans.

Budget Highlights related to Long Term Services and Supports (LTSS) include:

- Restricted funds to DDA pending a report on community service utilization data and spending forecasts including information regarding the transition to the LTSS system.
- \$1,000,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health submits a report to the budget committees regarding community service utilization data and spending forecasts that will be made available as the Developmental Disabilities Administration (DDA) Community Services program transitions to a fee-for-service (FFS) reimbursement system.
- The report should include:
 1. A plan and timeline for providing data to the Department of Legislative Services on utilization by service type on a monthly basis for DDA-funded services billed through the Long Term Services and Supports (LTSS) system;
 2. A plan and timeline for forecasting general fund spending in the Community Services program in fiscal 2023 and beyond based on actual utilization and reimbursements billed through the LTSS system following the transition to a FFS reimbursement model;
 3. The number of individuals receiving DDA-funded services and providers that transitioned to the LTSS system before the start of fiscal 2022 and the number of individuals and providers transitioned to the LTSS system in fiscal 2022 year to date;
 4. A cost analysis of the rates paid to providers that were transitioned to the LTSS system as part of the initial LTSS pilot program and how DDA's reimbursements compare to the estimated payments that would have been made under the prospective payment model; and
 5. A description of the utilization and spending data that is available through the LTSS system and would assist DDA in forecasting its spending needs.; and
 6. A plan and timeline for ensuring that providers, including coordinators of community services, have the ability to automatically exchange electronic data with the department through an application program interface with the LTSS system in accordance with Chapter 7 of 2021.

The report shall be submitted by November 1, 2021, and the budget committees shall have 45 days from receipt of the report to review and comment.

N00B00.04 General Administration - State General Fund Appropriation (Pages 113-114)

- Out of Home Placements: Report due on Emergency Room Hospitalizations for Psychiatric Evaluations or Crisis Support for Children and Lengths of Stays

Aid To Education Funding (Page 144)

- Compensatory Education Funding \$1.29 Billion

Autism Waiver Appropriation (Page 145)

Related to Out of State Placements of Children with Special Needs (Page 145)

- Provided that funds appropriated for nonpublic placements may be used to develop a broad range of services to assist in returning children with special needs from out-of-state placements to Maryland; to prevent out-of-state placements of children with special needs; to prevent unnecessary separate day school, residential or institutional placements within Maryland; and to work with local jurisdictions in these regards. Policy decisions regarding the expenditures of such funds shall be made jointly by the Governor's Office of Justice, Youth and Victim Services, and the Secretaries of Health, Human Services, Juvenile Services, Budget and Management, and the State Superintendent of Education.

Related to BOOST Funds (funds to be used for school choice) (Pages 157-159)

- The BOOST Advisory Board shall review and certify the ranked list of applicants and shall determine the scholarship award amounts. The BOOST Advisory Board *shall take into account the needs of students with disabilities on an Individualized Education Plan or 504 Plan when determining scholarship award amounts.*
- *Further provided that \$700,000 of this appropriation shall be used only to provide an additional award for each student with special needs that is at least equal in amount to the BOOST Program scholarship award that student is awarded in accordance with paragraph (6) above.*

- A report (is required that, among other things) must include the number of students who received BOOST Program scholarships for the 2020-2021 school year who withdrew or were expelled from the nonpublic schools they were attending and the reasons for which they withdrew or were expelled; the schools they withdrew or were expelled from; and the length of time students receiving BOOST Program scholarships were enrolled at a nonpublic school before withdrawing or being expelled.

Appropriation for Appendix K (DDA and Other Medicaid Flexibilities during the Pandemic) (Page 215)

- Provider Rate Increases Listed

Blueprint for Maryland's Future - Funding for Learning Loss (Page 282)

- R00A02.60 Blueprint for Maryland's Future Grant Program
 - In addition to the appropriation shown on page 99 of the printed bill (first reading file bill), to provide grants for summer school programs for those students most affected by learning loss. Object .12 Grants, Subsidies and Contributions \$25,000,000
 - Special Fund Appropriation, provided that \$25,000,000 of this appropriation made for the purpose of providing grants for summer school programs for those students most affected by learning loss shall be distributed and used in accordance with Section XX of SB0965 or HB1372.

Blueprint for Maryland's Future: Funding for Students Dealing with Trauma and Behavioral Health Issues due to the pandemic. Funding for additional transitional supplemental instruction to prioritize students with the greatest learning losses: Special education (Page 283)

- R00A02.60 Blueprint for Maryland's Future Grant Program:
 - In addition to the appropriation shown on page 99 of the printed bill (first reading file bill), to provide grants for programs to identify and support students dealing with trauma and behavioral health issues as a result of the COVID-19 public health crisis. Object .12 Grants, Subsidies and Contributions 15,000,000



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- Special Fund Appropriation, provided that \$15,000,000 of this appropriation made for the purpose of providing grants to identify and support students dealing with trauma and behavioral health issues as a result of the COVID-19 public health crisis shall be distributed and used in accordance with Section XX of SB0965 or HB1372.
- R00A02.60 Blueprint for Maryland's Future Grant Program:
 - In addition to the appropriation shown on page 99 of the printed bill (first reading file bill), to provide **additional transitional supplemental instruction** to prioritize students with the greatest learning losses, including students in special education and English learners programs.
Grants, Subsidies and Contributions 20,000,000
 - Special Fund Appropriation, provided that \$20,000,000 of this appropriation made for the purpose of providing additional transitional supplemental instruction shall be distributed in accordance with Section XX of SB0965 or HB1372.