

# HOUSE BILL 564

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CF SB 670

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By: Delegates ~~Valentino-Smith, Hettleman,~~ Bagnall, Boyce, Cardin, Carr,  
Charkoudian, Feldmark, Guyton, Henson, Kelly, R. Lewis, McIntosh,  
Rosenberg, Solomon, Stein, ~~Valentino-Smith,~~ and P. Young

Introduced and read first time: January 27, 2020  
Assigned to: Health and Government Operations  
Reassigned: Appropriations, February 4, 2020

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 7, 2020

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Department of Aging – Assisted Living Program Subsidies – Determinations**

3 FOR the purpose of requiring the Secretary of Aging to pay a certain subsidy to certain  
4 low-income seniors from certain funds for certain purposes; increasing, except under  
5 certain circumstances, a certain subsidy in effect for certain periods of time based on  
6 annual growth in a certain consumer price index; requiring the Secretary, beginning  
7 at a certain time, to determine and announce the growth in the consumer price index  
8 over a certain period of time, if any, and a new subsidy to assist certain low-income  
9 seniors to reside in certain assisted living programs; requiring a certain area agency  
10 to determine the amount of a certain subsidy provided for a resident of a certain  
11 assisted living program; requiring the area agency, in determining the amount of a  
12 subsidy, to deduct a certain allowance for personal expenses from a resident's total  
13 income; defining a certain term; and generally relating to subsidies for assisted living  
14 programs.

15 BY repealing and reenacting, with amendments,  
16 Article – Human Services  
17 Section 10–211  
18 Annotated Code of Maryland  
19 (2019 Replacement Volume and 2019 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

**Article – Human Services**

10–211.

(a) (1) In this section[, “assisted”] **THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(2) “**ASSISTED** living program” has the meaning stated in § 19–1801 of the Health – General Article.

(3) “**CONSUMER PRICE INDEX**” **MEANS THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE WASHINGTON–ARLINGTON–ALEXANDRIA, DC–VA–MD–WV METROPOLITAN AREA OR A SUCCESSOR METROPOLITAN AREA INDEX PUBLISHED BY THE FEDERAL BUREAU OF LABOR STATISTICS.**

(b) The Secretary shall develop assisted living programs for seniors in conjunction with:

(1) public or private for profit or nonprofit corporations; or

(2) State or federal units.

(c) (1) The Secretary shall:

(i) make maximum use of rent and other subsidies available from federal and State sources; [and]

(ii) **SUBJECT TO ITEM (III) OF THIS PARAGRAPH AND PARAGRAPH (4) OF THIS SUBSECTION**, provide [for and set, by regulation, the amount of subsidies necessary] **A SUBSIDY OF ~~\$1,000~~ UP TO \$1,500** from State general funds to assist low–income seniors to reside in assisted living programs as an alternative to more costly institutional care that is not required; **AND**

**(III) BEGINNING JULY 1, 2023, AND EACH 3–YEAR PERIOD THEREAFTER, PROVIDE A SUBSIDY AT THE RATE DETERMINED UNDER PARAGRAPH (2) OF THIS SUBSECTION.**

**(2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, FOR THE 3–YEAR PERIOD BEGINNING JULY 1, 2023, AND EACH SUBSEQUENT 3–YEAR PERIOD, THE SUBSIDY REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE INCREASED BY THE AMOUNT, ROUNDED TO THE NEAREST DOLLAR, THAT EQUALS THE PRODUCT OF:**

1                   1.     THE SUBSIDY IN EFFECT FOR THE IMMEDIATELY  
2 PRECEDING 3-YEAR PERIOD; AND

3                   2.     THE AVERAGE PERCENTAGE GROWTH IN THE  
4 CONSUMER PRICE INDEX FOR THE IMMEDIATELY PRECEDING 3-YEAR PERIOD, AS  
5 DETERMINED BY THE SECRETARY UNDER SUBPARAGRAPH (II)1 OF THIS  
6 PARAGRAPH.

7                   (ii)   BEGINNING MARCH 1, 2023, AND EACH MARCH 1 IN THE  
8 3-YEAR PERIOD THEREAFTER, THE SECRETARY SHALL DETERMINE AND  
9 ANNOUNCE:

10                  1.     THE AVERAGE PERCENTAGE GROWTH, IF ANY, IN THE  
11 CONSUMER PRICE INDEX BASED ON THE IMMEDIATELY PRECEDING 3-YEAR PERIOD  
12 FOR WHICH DATA ARE AVAILABLE ON MARCH 1; AND

13                  2.     THE SUBSIDY THAT WILL BE EFFECTIVE FOR THE  
14 3-YEAR PERIOD BEGINNING THE FOLLOWING JULY 1.

15                  (iii)  IF THE SECRETARY DETERMINES THAT THERE IS A DECLINE  
16 OR NO GROWTH IN THE CONSUMER PRICE INDEX, THE SUBSIDY SHALL REMAIN THE  
17 SAME AS THE RATE THAT WAS IN EFFECT FOR THE IMMEDIATELY PRECEDING  
18 3-YEAR PERIOD.

19                  [(2)] (3)   [Subsidies] THE SUBSIDIES under paragraph [(1)(ii)] (1) of this  
20 subsection may include, when necessary and in accordance with available funds, monthly  
21 subsidies for residents of assisted living programs whose adjusted gross annual income is  
22 less than their cost of care for assisted living services.

23                  (4)   (i)   SUBJECT TO THE MAXIMUM AMOUNT ESTABLISHED UNDER  
24 PARAGRAPH (1) OF THIS SUBSECTION, THE APPLICABLE AREA AGENCY SHALL  
25 DETERMINE THE AMOUNT OF THE MONTHLY SUBSIDY PROVIDED FOR A RESIDENT  
26 OF AN ASSISTED LIVING PROGRAM.

27                  (ii)  IN DETERMINING THE AMOUNT OF A SUBSIDY, THE AREA  
28 AGENCY SHALL DEDUCT FROM A RESIDENT'S TOTAL INCOME AN ALLOWANCE FOR  
29 PERSONAL EXPENSES THAT IS EQUAL TO THE MEDICAID LONG-TERM CARE  
30 PERSONAL NEEDS ALLOWANCE.

31                  [(3)] ~~(4)~~ (5)   When necessary and in accordance with available funds, the  
32 Secretary shall provide subsidies for congregate meals, housekeeping, and personal  
33 services for assisted living programs and develop eligibility requirements for these  
34 subsidies.

1                    [(4) ~~(5)~~ (6)] The Secretary shall adopt regulations to govern eligibility  
2 requirements for subsidies.

3            (d)    The Secretary shall:

4                    (1)    find sponsors for assisted living programs; and

5                    (2)    assist developers in formulating design concepts and meeting program  
6 needs.

7            (e)    The Secretary shall review the compliance of assisted living programs with  
8 the regulations that the Secretary of Health adopts for licensing these programs to operate  
9 in the State.

10            SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
11 1, 2020.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.