



TO: The Honorable Maggie McIntosh, Chair
Members, House Appropriations Committee
The Honorable Shelly Hettleman
The Honorable Geraldine Valentino-Smith

FROM: Danna Kauffman
Pam Metz Kasemeyer
Schwartz, Metz and Wise, PA
410-244-7000

DATE: February 25, 2020

RE: **SUPPORT WITH AMENDMENT** – House Bill 584 – *Day Care Centers for the Elderly and Day Care Centers for Adults – Reimbursement*

The Maryland Association of Adult Day Services (MAADS) **strongly supports** House Bill 584, which requires the Maryland Department of Health to reimburse a medical adult day care center when there is a weather-related closure or when a participant leaves a center due to a medical emergency.

Under Maryland regulations, a medical adult day center is reimbursed \$82.24 for a day of service, which is a mandatory four hours per participant. It is important to note that a center only gets \$82.24 a day per participant even if the participant is present at the center more than four hours. This amount covers all services provided to the participant, including transportation to and from the center. If a center either closes a full day or closes early because of weather, the center receives no reimbursement for the day. These unforeseen events place a financial strain on centers given that the centers still must cover fixed costs, such as employee wages and benefits, rent, transportation expenses (i.e., transportation maintenance) and others. Centers are also placed in an unfair position if a participant arrives at the center, receives services but then leaves the center before the full four hours. A participant can be at the center for three hours and 55 minutes and then leave and the center receives no reimbursement for that day, even though services were provided, and costs incurred.

Therefore, House Bill 584 remedies these situations by requiring reimbursement for these limited and unforeseen circumstances. This is similar to nursing facilities receiving payment for bed hold days – payment for when a resident leaves the nursing facility for a period of time (i.e., hospital stay) and the nursing facilities continues to receive reimbursement for that resident.

MAADS would recommend the following amendment:

On page 3, after line 20, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Department of Health shall develop a process for providing payments to medical adult day care centers in accordance with this Act. The Department shall prepare guidelines and instructions for centers to submit weather-related claims and claims when a participant leaves the center for a medical emergency or medical reason.”; and in line 21, strike “2” and substitute “3”.

With this amendment, MAADS urges a favorable vote.