

Department of Legislative Services
 Maryland General Assembly
 2018 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 1185
 Finance

(Senator Simonaire)

**Maryland Medical Assistance Program - Waiver for Children With Autism
 Spectrum Disorder - Waiting List**

This bill requires the Maryland Department of Health (MDH) and the Maryland State Department of Education (MSDE) to jointly develop a process to review each year the waiting list for the Waiver for Children with Autism Spectrum Disorder. MDH and MSDE must jointly adopt regulations to implement the bill.

Fiscal Summary

State Effect: Medicaid expenditures increase by \$52,800 (50% general funds, 50% federal funds) beginning in FY 2019. Federal fund revenues increase accordingly. Future years reflect annualization.

(in dollars)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
FF Revenue	\$26,400	\$32,200	\$33,100	\$34,300	\$35,600
GF Expenditure	\$26,400	\$32,200	\$33,100	\$34,300	\$35,600
FF Expenditure	\$26,400	\$32,200	\$33,100	\$34,300	\$35,600
Net Effect	(\$26,400)	(\$32,200)	(\$33,100)	(\$34,300)	(\$35,600)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The process to annually review the waiting list must include a requirement that an individual be a resident of the State to be added to or remain on the waiting list and require the removal of any individual who MDH or MSDE determines:

- is no longer eligible to receive services through the waiver;
- is no longer a resident of the State;
- no longer intends to participate in the waiver; or
- has not responded after reasonable attempts by MDH and MSDE to contact the individual.

The bill establishes, for purposes of the waiting list, that a resident of the State includes an individual on active duty with the U.S. military who is domiciled in Maryland.

Current Law/Background: The Waiver for Children with Autism Spectrum Disorder allows children with autism, ages 2 through 21, to receive specific waiver services and certain Medicaid services to support them in their homes and communities. To be eligible for this waiver, an applicant must meet specific medical, technical, and financial criteria. Specifically, the child must (1) require services from an Intermediate Care Facility for the Intellectually Disabled; (2) have an Individual Family Services Plan or Individualized Education Program with 15 hours of special education services; (3) be able to be served in the home and community with waiver services; (4) meet additional medical and technical eligibility criteria; and (5) have monthly income at or below 300% of Social Security Income benefits and countable assets of less than \$2,000 or \$2,500 (depending on eligibility category).

Waiver services include respite care, environmental accessibility, family consultation, residential habilitation, intensive individual support services, therapeutic integration, and adult life planning. Medicaid services include physician and hospital care, pharmacy, home health, laboratory services, disposable medical supplies, durable medical equipment, mental health services, and payment of Medicare cost-sharing.

In fiscal 2017, 1,004 children were served by the waiver at an average cost of \$35,296 per year. The total cost for the waiver was \$35.4 million.

The waiver currently has 1,000 slots and an additional 100 slots will be added during fiscal 2019. An individual who applies for the waiver is placed on a waiting list. There is no prescreening process for applicants and no cap on the number of individuals who can be placed on the waiting list. Eligibility for the individual at the top of the waiting list is assessed when a waiver slot becomes available.

As of March 2018, approximately 6,000 applicants are on the waiting list. Turnover of waiver recipients is extremely limited as, on average, only 100 slots are vacated annually. Typically, an individual remains in the program until turning 21 or graduating from high school. This causes the attrition rate to be limited and creates long delays for waiver placement. In some cases, it may take up to 10 years for an individual on the waiting list to be placed in an open waiver slot.

In fiscal 2017, of the 145 waiting list individuals successfully contacted, 133 (91.7%) were found eligible for waiver services and enrolled in the waiver. However, an additional 776 new individuals joined the waiting list in fiscal 2017.

State Fiscal Effect: MDH and MSDE can *develop* a process to review the waiting list using existing budgeted resources. Medicaid expenditures (50% general funds, 50% federal funds) increase by \$52,822 in fiscal 2019, which accounts for the bill’s October 1, 2018 effective date. This estimate reflects the cost to hire one health policy analyst associate to *implement* the process to annually review the waiting list, including contacting approximately 6,000 individuals on an annual basis. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

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Salary and Fringe Benefits	\$47,463
One-time Start-up Costs	4,890
Ongoing Operating Expenses	<u>469</u>
Total FY 2019 State Expenditures	\$52,822

Federal fund matching revenues increase correspondingly.

Future year expenditures reflect a full salary with annual increases and employee turnover and ongoing operating expenses.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - March 19, 2018
nb/ljm

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