

HOUSE BILL 462

J1, J3
HB 725/23 – HGO

4lr2132
CF SB 328

By: **Delegates Martinez, Acevero, Fair, Lehman, R. Lewis, and Woods**

Introduced and read first time: January 22, 2024

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Funding for Wages and Benefits for Nursing Home Workers**
3 **(Nursing Home Staffing Crisis Funding Act of 2024)**

4 FOR the purpose of requiring that the Governor’s proposed budget for certain fiscal years
5 include a certain percentage reimbursement rate increase for providers of certain
6 health care services under the Maryland Medical Assistance Program, the Maryland
7 Children’s Health Program, and the Community First Choice program; requiring
8 nursing homes to annually submit a certain cost report to the Maryland Department
9 of Health; requiring that a certain percentage of the funding increase for certain
10 fiscal years be used to fund wages and benefits for certain workers; and generally
11 relating to the reimbursement of service providers under the Maryland Medical
12 Assistance Program, the Maryland Children’s Health Program, and the Community
13 First Choice program.

14 BY repealing and reenacting, with amendments,
15 Article – Health – General
16 Section 16–201.4
17 Annotated Code of Maryland
18 (2023 Replacement Volume)

19 BY adding to
20 Article – Health – General
21 Section 16–209
22 Annotated Code of Maryland
23 (2023 Replacement Volume)

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

26 **Article – Health – General**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 16–201.4.

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

3 (2) “Provider” means a provider of:

4 (i) Nursing home services;

5 (ii) Medical day care services;

6 (iii) Private duty nursing services;

7 (iv) Personal care services;

8 (v) Home– and community–based services; and

9 (vi) Services provided through the Community First Choice program.

10 (3) “Rate” means the reimbursement rate paid by the Department to
11 providers of nursing home, medical day care, private duty nursing, personal care, and
12 home– and community–based services and services provided through the Community First
13 Choice program from the State General Fund, Maryland Medical Assistance Program
14 funds, other State or federal funds, or a combination of these funds.

15 (b) (1) The Governor’s proposed budget for fiscal year 2021 shall include a 4%
16 rate increase for providers over the funding provided in the legislative appropriation for
17 the immediately preceding fiscal year in Program M00Q01.03 Medical Care Provider
18 Reimbursements – Medical Care Programs Administration and Program M00Q01.07
19 Maryland Children’s Health Program – Medical Care Programs Administration.

20 (2) The Governor’s proposed budget for fiscal year 2022 shall include a 4%
21 rate increase for providers over the funding provided in the legislative appropriation for
22 the immediately preceding fiscal year in Program M00Q01.03 Medical Care Provider
23 Reimbursements – Medical Care Programs Administration and Program M00Q01.07
24 Maryland Children’s Health Program – Medical Care Programs Administration.

25 (3) The Governor’s proposed budget for fiscal year 2023 shall include a 4%
26 rate increase for providers over the funding provided in the legislative appropriation for
27 the immediately preceding fiscal year in Program M00Q01.03 Medical Care Provider
28 Reimbursements – Medical Care Programs Administration and Program M00Q01.07
29 Maryland Children’s Health Program – Medical Care Programs Administration.

30 (4) The Governor’s proposed budget for fiscal year 2024 shall include a 4%
31 rate increase for providers over the funding provided in the legislative appropriation for
32 the immediately preceding fiscal year in Program M00Q01.03 Medical Care Provider
33 Reimbursements – Medical Care Programs Administration and Program M00Q01.07
34 Maryland Children’s Health Program – Medical Care Programs Administration.

1 **(5) THE GOVERNOR’S PROPOSED BUDGET FOR FISCAL YEAR 2026**
2 **SHALL INCLUDE AN 8% RATE INCREASE FOR PROVIDERS OVER THE FUNDING**
3 **PROVIDED IN THE LEGISLATIVE APPROPRIATION FOR THE IMMEDIATELY**
4 **PRECEDING FISCAL YEAR IN PROGRAM M00Q01.03 MEDICAL CARE PROVIDER**
5 **REIMBURSEMENTS – MEDICAL CARE PROGRAMS ADMINISTRATION AND PROGRAM**
6 **M00Q01.07 MARYLAND CHILDREN’S HEALTH PROGRAM – MEDICAL CARE**
7 **PROGRAMS ADMINISTRATION.**

8 **(6) THE GOVERNOR’S PROPOSED BUDGET FOR FISCAL YEAR 2027**
9 **SHALL INCLUDE AN 8% RATE INCREASE FOR PROVIDERS OVER THE FUNDING**
10 **PROVIDED IN THE LEGISLATIVE APPROPRIATION FOR THE IMMEDIATELY**
11 **PRECEDING FISCAL YEAR IN PROGRAM M00Q01.03 MEDICAL CARE PROVIDER**
12 **REIMBURSEMENTS – MEDICAL CARE PROGRAMS ADMINISTRATION AND PROGRAM**
13 **M00Q01.07 MARYLAND CHILDREN’S HEALTH PROGRAM – MEDICAL CARE**
14 **PROGRAMS ADMINISTRATION.**

15 **(7) THE GOVERNOR’S PROPOSED BUDGET FOR FISCAL YEAR 2028**
16 **SHALL INCLUDE AN 8% RATE INCREASE FOR PROVIDERS OVER THE FUNDING**
17 **PROVIDED IN THE LEGISLATIVE APPROPRIATION FOR THE IMMEDIATELY**
18 **PRECEDING FISCAL YEAR IN PROGRAM M00Q01.03 MEDICAL CARE PROVIDER**
19 **REIMBURSEMENTS – MEDICAL CARE PROGRAMS ADMINISTRATION AND PROGRAM**
20 **M00Q01.07 MARYLAND CHILDREN’S HEALTH PROGRAM – MEDICAL CARE**
21 **PROGRAMS ADMINISTRATION.**

22 **[(5)] (8)** The Governor’s proposed budget for fiscal year 2021 and each
23 fiscal year thereafter shall be presented in the same manner, including object and program
24 information, as in the fiscal year 2020 budget.

25 **16–209.**

26 **(A) ON OR BEFORE SEPTEMBER 1 EACH YEAR, BEGINNING IN 2026, EACH**
27 **NURSING HOME SHALL SUBMIT TO THE DEPARTMENT A COST REPORT IN THE FORM**
28 **AND MANNER REQUIRED BY THE DEPARTMENT.**

29 **(B) THE COST REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION**
30 **SHALL:**

31 **(1) INCLUDE:**

32 **(I) DOCUMENTATION OF WAGE DISBURSEMENT; AND**

33 **(II) ANY OTHER INFORMATION THE DEPARTMENT DETERMINES**
34 **IS APPROPRIATE; AND**

1 **(2) BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE**
2 **NURSING HOME UNDER PENALTY OF PERJURY.**

3 **(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
4 **DEPARTMENT MAY TAKE APPROPRIATE ENFORCEMENT ACTION AGAINST A**
5 **NURSING HOME IF THE NURSING HOME:**

6 **(I) FAILS TO SUBMIT A COST REPORT AS REQUIRED;**

7 **(II) SUBMITS AN INACCURATE, INCOMPLETE, OR INVALID COST**
8 **REPORT; OR**

9 **(III) FAILS TO PAY THE WAGES IN THE AMOUNT REQUIRED.**

10 **(2) THE ENFORCEMENT ACTION THAT THE DEPARTMENT MAY TAKE**
11 **UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY INCLUDE ANY OF THE**
12 **FOLLOWING:**

13 **(I) RECOUPMENT BY THE DEPARTMENT OF FUNDING**
14 **RESULTING FROM THE REIMBURSEMENT RATE INCREASE PROVIDED FOR UNDER §**
15 **16-201.4(B) OF THIS SUBTITLE;**

16 **(II) IMPOSITION OF A CORRECTIVE PLAN; AND**

17 **(III) SUSPENSION OR TERMINATION FROM THE PROGRAM.**

18 SECTION 2. AND BE IT FURTHER ENACTED, That:

19 (a) (1) For each of fiscal years 2026, 2027, and 2028, 75% of the funding
20 increase provided in the legislative appropriation for Program M00Q01.03 Medical Care
21 Provider Reimbursements – Medical Care Programs Administration in § 16-201.4(b)(5)
22 through (7) of the Health – General Article, as enacted by Section 1 of this Act, shall be
23 used to fund wages and benefits for workers and staff providing direct care, indirect care,
24 direct care support services, and other patient care to residents in a nursing home.

25 (2) Administrative staff and workers who do not provide direct care to
26 residents are not eligible to take part in the wage increase provided for under paragraph
27 (1) of this subsection.

28 (b) Nursing home providers who receive funding increases in accordance with §
29 16-201.4(b)(5) through (7) of the Health – General Article, as enacted by Section 1 of this
30 Act, shall document the disbursement of the funds.

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
2 1, 2024.