



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene
201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – Laura Herrera Scott, MD, MPH, Acting Secretary

January 20, 2015

The Honorable Thomas M. Middleton
Chairman
Senate Finance Committee
3 East Miller Senate Office Bldg.
Annapolis, MD 21401-1991

The Honorable Maggie McIntosh
Chairman
House Appropriations Committee
121 House Office Bldg.
Annapolis, MD 21401-1991

Re: HB 171 (Chapter 171 of the Acts of 2011) – Report on the Status of Independent Home Care Providers Participating in Waiver Programs

Dear Chairmen Middleton and McIntosh:

Enclosed please find a report pursuant to HB 171 – *Collective Bargaining – Independent Home Care Providers*, which passed during the 2011 legislative session. The report addresses the status of home care providers who participate in the Medicaid Waiver for Older Adults, the Medicaid Personal Care Program, the Living at Home Waiver Program and the Department of Human Resources' In-Home Aide Service Program.

If you have any questions or need more information on this subject, please do not hesitate to contact Allison Taylor, Director of Governmental Affairs at (410) 767-6480.

Sincerely,

Laura Herrera Scott, M.D., M.P.H.
Acting Secretary

Enclosure

cc: Charles Lehman
Mark Leeds
Tricia Roddy
Allison Taylor
Sarah Albert, MSAR #8802

INTRODUCTION

Chapter 171 of the Acts of 2011 (HB 171) requires that the Department of Health and Mental Hygiene (the Department) report on the status of the independent home care providers participating in certain programs. These programs included the Medicaid Waiver for Older Adults and the Living at Home Waiver Program, the Medical Assistance Personal Care (MAPC) Program and the Department of Human Resources' In-Home Aide Service Program. Waiver for Older Adults and the Living at Home Waiver participants now receive personal assistance services under the Community First Choice (CFC) program. This report now references participants and providers in the appropriate program.

BACKGROUND

On August 6, 2007, the Governor signed an Executive Order granting collective bargaining rights to independent home care providers and established a process to vote on a representative body. The representative body elected by independent home care providers was the American Federation of State, County and Municipal Employees (AFSCME).

On July 26, 2010, the Governor and independent home care providers signed a memorandum of understanding with AFSCME representing provider interests. This collective bargaining agreement expired on June 30, 2012. A new agreement covers the period July 1, 2012 through June 30, 2015.

HB 171 took effect on July 1, 2011. The legislation requires an annual report on (1) the number of independent home care providers participating in the programs and the number of consumers served by the programs; (2) the number of independent home care providers who join the collective bargaining unit established under this Act and the number of consumers served by each of the providers; and (3) an analysis of any positive or negative trends resulting from the implementation of this Act. An initial report was submitted to the legislature in December 2011 with subsequent reports submitted in December 2012 and 2013.

REPORT REQUIREMENTS

(1) In the past year, there were 3,990 independent home care providers actively enrolled to provide personal assistance services through the MAPC and CFC programs. Medicaid programs provided personal care services to approximately 8,968 unduplicated participants, including participants receiving services through provider agencies.

The In-Home Aide Services Program provided an average of 16,835 service units per month to participants, with 12% of those service units provided by an independent provider.

(2) As of December 2014, 508 independent home care providers are paying dues to the union through fiscal intermediaries, Administrative Services, Inc. and Public Partnerships, LLC. The union members monthly dues are \$25.00. These providers serve approximately 13 percent of the consumers receiving Medicaid personal assistance services.

(3) On January 1, 2014, the Medicaid program implemented the CFC program. CFC is a new Medicaid State Plan program created by the Affordable Care Act. CFC is expected to leverage approximately \$24M of additional federal dollars to expand services to current participants, and will allow the State to add participants. It emphasizes person-centered planning and self-directed budgeting for older adults and individuals with disabilities. The Department expects that this will

transform how people receive long-term services and supports in the State of Maryland and gives Maryland a leading role in health care reform nationwide.

Insofar as how this impacts independent home care workers, participants under the self-direction model will have the discretion to pay providers within an established min/max hourly rate. Previously, providers were paid based on either a set hourly rate or on a per-visit basis, depending on which programs participants were included. Personal care in the Living At Home and Waiver for Older Adults is now covered under the CFC program, whereby all independent providers are paid on a fee-based system. Personal care providers in the MAPC program are still paid on a per diem basis but are transitioning into the CFC payment structure. From July 1, 2014 to June 30, 2015, the State-AFSCME agreed-upon minimum rate is \$11.75/hr. and the maximum rate is \$14.63/hr. These rates are established in the latest Memorandum of Understanding (MOU) agreement, which is effective through June 30, 2015. The legislation made official the collective bargaining unit's right to represent independent home care providers, which was already part of the Governor's Executive Order and the first MOU.

The Department has added AFSCME representatives to several work groups. The Department will continue to work with the representatives on all issues affecting independent home care providers.

CONCLUSIONS AND NEXT STEPS

The Department continues to transition medically eligible participants and their providers into the Community First Choice program from the Personal Care program. The goal for full transition is July 1, 2015.