



TESTIMONY BEFORE THE HOUSE HEALTH AND GOVERNMENT  
OPERATIONS COMMITTEE

**House Bill 113: Interagency Committee on Aging Services – Modifications**

Position: Support

**Bill Summary**

LifeSpan Network supports House Bill 113: Interagency Committee on Aging Services – Modifications. In addition to adding the Secretaries of Business and Economic Development, Budget and Management and Higher Education to the Interagency Committee, the bill requires, on or before January 1, 2010, the Interagency Committee to report to the General Assembly on consensus recommendations to reform the provision of medical assistance program long-term care services, including health services, designed as necessary to meet the differing needs of seniors and adults with disabilities in the state.

In developing the recommendations, the Interagency Committee must: (i) create stakeholder subcommittees consisting of providers, consumers, advocates, and local interagency committees to assist in the development of the recommendations; (ii) review long-term care plans and consensus reports created in the state and in other states related to long-term care, including long-term care managed care; and (iii) identify areas in which the service needs of seniors and adults with disabilities in the state need to be addressed. The Interagency Committee must also: (1) include in its annual report to the General Assembly any changes or updates to the State plan to coordinate health services, social services, transportation, housing and employment services to seniors in Maryland; and (2) report on the status of the system to provide services to frail and health-impaired seniors at risk of institutionalization.

**Analysis**

Reforming the delivery of long-term care services in Maryland is a complex challenge. In the past, the State has mainly concentrated its efforts on reforming Medicaid. However, Medicaid is only one aspect of long-term care. In developing a system, Maryland must consider all services and aspects of long-term care, including services that are administered by agencies other than the Department of Health and Mental Hygiene. In addition, Maryland must consider the individual that is in need or may be in need of long-term care services. Past efforts have focused mainly on those individuals who are “nursing home eligible” and on transferring individuals from nursing homes to home-and-community based services. However, there is an argument that if the State provided services to individuals prior to becoming “nursing home eligible,” it could defer

admittance to nursing homes or other levels of care for a longer period of time; thus, saving the State significant money in later years.

The Congregate Housing Services Program (CHSP), administered by the Department of Aging, is an example of the type of investment that Maryland needs to consider in reforming long-term care. CHSP provides meals, housekeeping, laundry, personal services and service management to low-income, frail elderly population (62 years or older in need of assistance with one of more activities of daily living) in senior citizen apartment buildings. The State's annual share per enrollee is only \$2263, which is more cost-effective than the State's cost for nursing home. For illustration purposes, if the CHSP was able to defer admittance into a nursing home by one year for 23 individuals, the State would have saved \$1,381,357/year. \*\*Calculation (Medicaid's cost for 23 individuals \$1,433,406 - MDOA's cost for 23 individuals \$52,049 = \$1,381,357 cost savings).

HB 113 is a logical vehicle to begin this reform with the inclusion of stakeholders, experts and appropriate agency leadership. House Bill 113 will allow the State to collectively review the types of programs offered to seniors in all the State agencies as well as examine the point of time where services should be offered to seniors in order to defer more costly placement. LifeSpan recommends a favorable vote on HB113.

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*LifeSpan Network is a senior care provider association representing approximately 300 providers, including nursing homes, assisted living facilities, medical adult day care providers, continuing care retirement communities and senior housing communities. Our members provide care to approximately 45,000 seniors.*

Submitted by:

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