

**MEMORANDUM**

TO: County Council

FROM: *MF* Michael Faden, Senior Legislative Attorney

SUBJECT: **Introduction:** Bill 40-11, Group Homes – Developmentally Disabled Adults - Licensing

Bill 40-11, Group Homes – Developmentally Disabled Adults - Licensing, sponsored by the Council President at the request of the County Executive, is scheduled to be introduced on December 6, 2011. A public hearing is tentatively scheduled for January 24, 2012 at 1:30 p.m.

Bill 40-11 would exempt certain group homes for developmentally disabled adults which are licensed by the state from the County group home licensing law.

This packet contains:	<u>Circle #</u>
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Bill No. 40-11  
Concerning: Group Homes -  
Developmentally Disabled Adults  
Revised: 12-1-11 Draft No. 2  
Introduced: December 6, 2011  
Expires: June 6, 2013  
Enacted: \_\_\_\_\_  
Executive: \_\_\_\_\_  
Effective: \_\_\_\_\_  
Sunset Date: None  
Ch. \_\_\_\_\_, Laws of Mont. Co. \_\_\_\_\_

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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By: Council President at the Request of the County Executive

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**AN ACT to:**

- (1) revise the licensing requirements for certain group homes for developmentally disabled adults; and
- (3) generally amend the law regarding regulation of group residential facilities.

By amending

Montgomery County Code  
Chapter 23A, Group Homes  
Section 23A-3

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
<b>[Single boldface brackets]</b>	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
<b>[[Double boldface brackets]]</b>	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland approves the following Act:*

1           **Sec. 1. Section 23A-3 is amended as follows:**

2   **23A-3.       Applicability of chapter.**

3       This Chapter does not apply to a:

- 4       (a)   facility which holds a valid license for institutional care, such as a  
5           nursing home, hospital, child or adult day care facility, or domiciliary  
6           care home for 5 or more residents;
- 7       (b)   foster or respite care home for children which is approved by the  
8           County Department of Health and Human Services, the State  
9           Department of Juvenile Services, or any licensed child placement  
10          agency, in accordance with standards set by the appropriate State  
11          agencies;
- 12       (c)   foster care or respite care home for adults for 3 or fewer elderly  
13          persons or persons with disabilities, which is approved by the  
14          Department of Health and Human Services;
- 15       (d)   licensed residential or institutional facility whose total number of  
16          residents at any one time will exceed 16 or the number of persons  
17          allowed under a license for the facility issued by a state agency,  
18          whichever is less;
- 19       (e)   group home which does not routinely provide more than 50 hours of  
20          on-site supervision a week, but a home exempted under this  
21          subsection may apply for a license and be licensed if it meets the  
22          requirements of this Chapter; [or]
- 23       (f)   group home for developmentally disabled adults which is licensed by  
24          the state Department of Health and Mental Hygiene; or
- 25       (g)   group of persons, not related by blood or marriage, living together in a  
26          dwelling unit as a family as defined in Chapter 59. Supportive care  
27          services and treatment for individual residents or the group may be  
28          provided by a person or agency that does not assume responsibility for

29 acquiring those services or treatments or for supervising, directing, or  
30 controlling the residents.

31 *Approved:*

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34 Valerie Ervin, President, County Council Date

35 *Approved:*

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38 Isiah Leggett, County Executive Date

39 *This is a correct copy of Council action.*

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42 Linda M. Lauer, Clerk of the Council Date

## LEGISLATIVE REQUEST REPORT

Bill 40-11

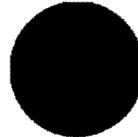
### *Group Homes – Developmentally Disabled Adults - Licensing*

<b>DESCRIPTION:</b>	Would exempt certain group homes for the developmentally disabled from county inspection and licensing requirements.
<b>PROBLEM:</b>	Group homes for developmentally disabled adults are currently licensed and extensively regulated both by the State Department of Health and Mental Hygiene/Developmental Disabilities Administration. (“DHMH/DDA”) and the County.
<b>GOALS AND OBJECTIVES:</b>	To eliminate duplication of effort and minimize expense for owners of group homes serving the developmentally disabled population.
<b>COORDINATION:</b>	Department of Health and Human Services
<b>FISCAL IMPACT:</b>	See Fiscal and Economic Statement.
<b>ECONOMIC IMPACT:</b>	See Fiscal and Economic Impact Statement.
<b>EVALUATION:</b>	To be requested.
<b>EXPERIENCE ELSEWHERE:</b>	Montgomery County is the only jurisdiction in the state that requires operators of group homes for developmentally disabled adults to secure both a county and a state license.
<b>SOURCE OF INFORMATION:</b>	Kathy Schoonover, Department of Health and Human Services (DHHS), Division of Licensing and Regulatory Services; John J. Kenney, DHHS, Aging and Disability Services; Michael Donahue, Fire and Rescue Services.
<b>APPLICATION WITHIN MUNICIPALITIES:</b>	N/A
<b>PENALTIES:</b>	N/A

BILL



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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

November 2, 2011

RECEIVED  
MONTGOMERY COUNTY  
NOV 2 2011 3:00

**TO:** Valerie Ervin, Council President  
**FROM:** Isiah Leggett, County Executive   
**SUBJECT:** Licensure of Group Homes for the Developmentally Disabled—Bill to Exempt

I am attaching for the Council's consideration a bill that would exempt group homes for the developmentally disabled from the general licensure requirements contained in Chapter 23A of the Montgomery County Code. Also attached are a Legislative Request Report and a Fiscal and Economic Impact Statement for this bill.

Group homes for the developmentally disabled are subject to licensure and inspection requirements by both the state and the county. No other local jurisdiction in the state has similar requirements. This bill would eliminate duplication in the licensure and inspection process and, as a consequence, reduce costs to the providers who run these group homes.

If this exemption is granted, these group homes will still be subject to the health and safety standards established by the Office of Health Care Quality ("OHCQ") of the State Department of Health and Mental Hygiene. OHCQ licenses these facilities and state inspectors from OHCQ conduct unannounced site visits to review the safety of clients, compliance with service plans, staffing adequacy, and overall quality of care provided to residents.

In addition, each resident of a group home receiving funds from the Developmental Disabilities Administration ("DDA") will still be assigned a resource coordinator working through Aging and Disability Services in our Department of Health and Human Services. The coordinator is responsible for visiting the client, reviewing the services provided, and monitoring the cleanliness of the home.

Fire inspections are an essential element of the safety plan and the Department of Health and Human Services will require that these facilities continue to be inspected annually by the County Fire Marshall.

Valerie Ervin, President  
November 2, 2011  
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I have concluded that there is sufficient oversight of these homes by professional staff from state and county agencies that the well-being of residents will not be compromised by the removal of the county licensure requirement.

I look forward to working with the Council as it considers this legislation. For questions about this bill, please contact Uma S. Ahluwalia, Director, Department of Health and Human Services at 240-777-1266.

IL:gh

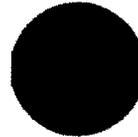
Attachments (3)

c: Uma S. Ahluwalia, Director, Department of Health and Human Services  
Richard Bowers, Chief, Fire and Rescue Services  
Kathleen Boucher, Assistant Chief Administrative Officer

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OFFICE OF MANAGEMENT AND BUDGET

Isiah Leggett  
County Executive

Jennifer A. Hughes  
Director

MEMORANDUM

September 21, 2011

TO: Valerie Ervin, President, County Council

FROM: Jennifer A. Hughes, Director

SUBJECT: Bill to Amend Chapter 23A, Group Residential Care Facilities, exempting certain group homes for the developmentally disabled from county inspection and licensure requirements

RECEIVED  
MONTGOMERY COUNTY

The purpose of this memorandum is to transmit a fiscal and economic impact statement to the Council on the subject Bill.

LEGISLATION SUMMARY

Group homes for developmentally disabled adults are currently licensed and extensively regulated both by the Maryland State Department of Health and Mental Hygiene, Developmental Disabilities and Montgomery County. The goal of this legislation is to eliminate the duplication of effort and minimize expense for owners of group homes serving the developmentally disabled population.

Bill XX-11 would:

1. Revise the list of facilities to which Chapter 23A does not apply;
2. Add "group homes for developmentally disabled adults which are licensed by the Maryland Department of Health and Mental Hygiene, Developmental Disabilities Administration" as unregulated residential facilities; and
3. Generally amend the law regarding certain unregulated residential facilities.

FISCAL AND ECONOMIC SUMMARY

This Bill, if approved would result in a loss of revenue of approximately \$39,100 in the Health Inspections: Living Facilities – Licenses revenue category as these services will no longer be provided. There are 782 Developmentally Disabled Adult (DDA) group home beds. The Department of Health and Human Services (DHHS) collects \$50 per bed when the facility license is renewed annually;

Office of the Director

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www.montgomerycountymd.gov



(782 x 50 = \$39,100). This Bill will result in the loss of \$39,100 in revenue each year over the next six years for a total revenue impact of -\$234,600 (\$39,100 x 6). DHHS estimates 608 hours are spent annually on DDA group home inspections by six environmental health specialists who conduct these inspections at 100 hours per inspector equating to approximately one-third of a workyear. These hours will be redirected to conducting mandated State food safety inspections.

Breakout of Hours:

Number of Group Homes: 217

Assumptions:

Inspection time (including travel)	2.5 hours
Annual inspections:	217 homes x 2.5 = 543 hours
Re-inspection rate	20%
Re-inspection time	1.5 hours
Re-inspections:	217 x 20% = 43 homes x 1.5 hours = 65 hours

Total 608 annual inspections hours (543+65=608) = approximately 30% of one work year

Montgomery County Fire and Rescue Services (MCFRS) will continue mandatory safety inspections on an annual basis with an assessed fee. The inspections will be included as a contractual obligation on the part of the provider as a condition of receiving county funding the following fiscal year. Currently, MCFRS charges \$154 (\$140 + 10% tech fund) for inspection labor and a \$55 permit fee for each group home for a total of \$209 per year. MCFRS will waive the permit fee as these providers depend almost entirely on funding through grants and assistance provided by the State and County; the new fee will be \$154 per year for each group home. Based on the current annual inspection demand of 217 DDA group homes, MCFRS will incur a revenue loss of \$11,935 in each of the next six years. The total revenue impact over the six years is a loss of \$71,610.

This Bill has no meaningful impact on employment, personal income, investment, or other economic variables to the Montgomery County economy as a whole. The Bill results in fewer inspections and fees collected, but on a per-provider basis these changes are insignificant.

The following contributed to and concurred with this analysis: Clark Beil, Senior Administrator and Kathy Schoonover, Nurse Administrator, Licensure and Regulatory Services, Department of Health and Human Services, Michael Donahue, Assistant Chief, Montgomery County Fire and Rescue Services, Mike Coveyou, Department of Finance, and Trudy-Ann Durace, Office of Management and Budget.

JAH:tad

c: Kathleen Boucher, Assistant Chief Administrative Officer  
Lisa Austin, Offices of the County Executive  
Uma S. Ahluwalia, Director, Department of Health and Human Services  
Beryl L. Feinberg, Budget Manager, Office of Management and Budget  
John Cuff, Office of Management and Budget  
Amy Wilson, Office of Management and Budget  
Trudy-Ann Durace, Office of Management and Budget