

MEMORANDUM

May 7, 2014

TO: Health and Human Services Committee

FROM: Linda McMillan, Senior Legislative Analyst *Lame*

SUBJECT: **FY15 Operating Budget: Department of Health and Human Services – Resource Coordination/Targeted Case Management**

Those expected for this worksession:

Uma Ahluwalia, Director, Department of Health and Human Services
Dr. John Kenney, Chief Aging and Disability Services
Patricia Stromberg, DHHS Management and Budget
Rachel Silberman, Office of Management and Budget

The Committee asked to return to this item to give the State Department of Health and Mental Hygiene additional time to consider the County's request to continue to serve transition-age youth.

The following was provided to the Committee at the May 2 session.

Resource Coordination/Targeted Case Management

- The Executive's budget assumes DHHS will continue to provide Resource Coordination until January 1, 2015. The State is not assigning new cases to the County as of March 2014. It will probably take until March 2015 to transition all cases.
- The County asked the State if the County could continue to provide services to transitioning youth but was told they could not serve only a targeted population. As follow-up to the Committee discussion, the County has asked this question again.
- State regulations (COMAR10.09.48.04(H)) require freedom of choice and say: "The provider shall place no restrictions on the qualified participant's freedom of choice among: (1) Providers of resource coordination; (2) Providers of community-based services for which the participant qualifies; and (3) Person directed supports and services."

- During FY15, Resource Coordination services staff will be mostly contractors hired through the broker contract. (Resource Coordinators are currently 6 merit staff and 58 contract brokers.) This is because the County will not be providing services by the end of FY15. Director Ahluwalia told the Committee that while the County continues to provide the best service it can, there are quality issues because of the turnover of staff and the fact that broker staff has been used for an extended period of time.
- Reimbursement from billings will not cover the full cost of a County program. The Committee asked for information about the General Fund subsidy that would be needed to continue to provide Resource Coordination to either a targeted population or to anyone choosing the County as their provider.
- If the County is to continue providing Resource Coordination beyond March 2015, in addition to the need for funding, there will be significant ramp-up time to refill merit positions needed to provide consistent, long-term service.
- Director Ahluwalia said that the Executive is considering whether there should be some sort of Ombudsman program but there is no proposal at this time.

Council staff comment and recommendation

At this time, the Committee needs to make a budget decision based on the best possible information it has. Unless Director Ahluwalia receives information from the State that they will allow Montgomery County to serve a targeted population, the best information now is that the budget should reflect that the County will completely transition out of Resource Coordination/Targeted Case Management by March 1, 2015. The Committee can either recommend approval of the Executive's budget as submitted, or reduce the appropriation and revenues by \$743,430 to reflect this current reality. (The Executive's budget does not eliminate the broker appropriation and revenues from billing for the last quarter of FY15.)

If at a later time, the State approves the County's request to serve a targeted population, the Executive can propose a special or supplemental appropriation that would reflect the staffing, expenses, and revenues that would be associated with this newly structured program.

If the State does not allow the County to serve a targeted population, the Executive should come forward in the fall with any proposed Ombudsman program so that it can be in place by the time the County must stop providing these services.

Council staff understands and agrees with the Committee members' and the Department's deep concern about these clients and their families, the disruption this change has caused, and the uncertainty about whether the private providers will have the capacity to serve all those needing services and provide the level of care and service that the County has provided for many years. However, until there is reconsideration by the State, Council staff recommends the budget clearly reflect the expectation that this transition will finally and fully occur during FY15.



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene

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Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – Joshua M. Sharfstein, M.D., Secretary

Developmental Disabilities Administration

Patrick Dooley, Acting Executive Director

April 3, 2014

Ms. Uma Ahluwalia
Director, Montgomery County Health and Human Services
401 Hungerford Drive
Rockville, Maryland 20850

Dear Ms. Ahluwalia:

Thank you for your efforts and those of your colleagues at the Montgomery County Department of Health and Human Services (DHHS) for continuing to work with the Developmental Disabilities Administration (DDA) during the transition to Targeted Case Management (TCM) for resource coordination services. I am writing to respond to DHHS' request to continue providing resource coordination services for Transitioning Youth (TY) beyond December 31, 2014.

Maryland's TCM Medicaid State Plan and Code of Maryland Regulations 10.09.48.04 require a provider of TCM to provide services to all eligible individuals. The regulation expressly prohibits a provider to serve a specific group of individuals. As Montgomery County has decided to discontinue providing TCM services after December 31, 2014, and therefore will no longer be accepting referrals for all individuals eligible for TCM services, DHHS is unable to solely serve TY after that date.

If the County elects to provide additional resource coordination services beyond those covered under TCM using County funds, this would be permissible.

DDA is committed to working with DHHS to support a successful transition of services for individuals in Montgomery County.

Sincerely,

Patrick Dooley
Acting Executive Director