



Committee: HHS
Committee Review: Completed
Staff: Essie McGuire, Senior Legislative Analyst
Purpose: To introduce agenda item – no vote expected
Keywords: AMDC, ARPA

AGENDA ITEM #5(L)
April 26, 2022
Introduction

SUBJECT

Special Appropriation to the Fiscal Year 2022 Operating Budget; Montgomery County Government; Department of Health and Human Services; Adult Medical Day Care COVID Assistance; \$1,200,000 (Source of Funds: Federal Grant (American Rescue Plan Act); Lead Sponsor: County Council

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- Introduction only. The Council is scheduled to hold a Public hearing and consider action on May 3, 2022.

DESCRIPTION/ISSUE

Adult Medical Day Care (AMDC) providers were required to close their facilities from March 2020 to March 2021 to prevent the spread of COVID 19. While providers continued to support clients through phone calls and telehealth, reimbursement/revenues were substantially reduced. AMDC have also incurred additional costs for modifications to facilities and vehicles and purchase of personal protective equipment. Clients have been returning to programs but are not yet at pre-pandemic attendance. One-time COVID response support is needed. This support can be provided using funds from the American Rescue Plan Act (ARPA).

SUMMARY OF KEY DISCUSSION POINTS

- AMDCs provide critical support to individuals aged 16 and older who are medically compromised or are functionally and/or cognitively impaired. Many are frail seniors. These individuals cannot live independently, but with support can continue to live at home. This prevents placement in residential facilities, such as nursing homes. AMDCs provide a range of services, including transportation and meals, and provide an important source of social activities for participants.
- AMDCs were negatively impacted financially when they were required to close and received a lower reimbursement rate than the rate received for in-person programming. While programs are re-opening, attendance is only about 65% of pre-pandemic levels as clients and their caregivers continue to be concerned about COVID for this at-risk population.
- Many AMDC participants are low-income and eligible for Medicaid waiver supports. AMDC programs also provide cultural and language appropriate food and services for a diverse population.
- COVID response assistance is needed to address the negative fiscal impacts on these organizations. ARPA funds are an appropriate source of funding for this program.

- The Department will use \$50,000 of this appropriation to provide administrative support to distribute the funding to providers.
- The HHS Committee discussed the FY22 ARPA allocation in its operating budget worksession on April 21, 2022, and recommended approval of the funding for this purpose.

Attached:
Appropriation Resolution

©
1-3

Alternative format requests for people with disabilities. If you need assistance accessing this report you may [submit alternative format requests](#) to the ADA Compliance Manager. The ADA Compliance Manager can also be reached at 240-777-6197 (TTY 240-777-6196) or at adacompliance@montgomerycountymd.gov

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: County Council

SUBJECT: Special Appropriation to the Fiscal Year 2022 Operating Budget
Montgomery County Government
Department of Health and Human Services
Adult Medical Day Care COVID Assistance
\$1,200,000 (Source of Funds: Federal Grant (American Rescue Plan Act))

Background

1. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
2. A new coronavirus disease, named COVID-19, appeared in China in December 2019 and spread extremely quickly. On March 11, 2020, the World Health Organization declared the disease a pandemic. Response to the pandemic required some businesses and services to close to prevent the spread of disease.
3. Adult Medical Day Care (or Adult Day Services) are community-based programs serving adults who are medically compromised or adults with disabilities aged 16 and older who are functionally and/or cognitively impaired and are not able to care for themselves. These adults are not able to live independently but with supports do not need 24 hour a day residential care, such as a nursing home, and can continue to live at home. Program services include transportation, personal care, health monitoring, nutrition services, social work services, physical and speech therapy, and recreation and social activities. Medicaid eligible individuals can access these programs through certain home and community-based waivers and non-Medicaid eligible individuals also participate in these programs.
4. To prevent the spread of the coronavirus and illness from COVID-19, the Governor ordered the closure of Adult Medical Day Care facilities in March 2020. This order was lifted in

March 2021. During this time, providers worked diligently to support clients through phone and tele-health services. The reimbursement rate for these services was less than the rate for in-person programs. Additionally, providers incurred costs for such things as modifications to facilities, air handling/filtration, food service equipment, adapting vehicles, and purchase of personal protective equipment.

5. American Rescue Plan Act funds can be used to provide grants to non-profit organizations and small businesses that were negatively impacted by COVID. Rules for the use of these funds also presume that low-income households, including those eligible for Medicaid and Medicare Part D low-income subsides, have been disproportionately impacted by COVID.
6. The State of Maryland has recognized the financial impact of COVID on Adult Medical Day Care providers and has allocated American Rescue Plan Act funds to support their operations.
7. Montgomery County recognizes that costs for operating Adult Medical Day Care are higher in Montgomery County than in many other parts of the State and additional one-time COVID response support is needed while providers continue to recover and re-open and as clients continue to return to these programs.
8. All licensed Adult Medical Day Care providers that operate in good standing will be eligible to apply for funding in compliance with an application, approval, and payment process developed by the Department of Health and Human Services. It is expected that the formula for distribution of funds will be based on licensed capacity in Montgomery County.
9. Notice of this special appropriation was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

A special appropriation to the FY 2022 Operating Budget of the Montgomery County Government, in the amount of \$1,200,000 is approved as follows:

<u>Personnel Expense</u>	<u>Operating Expense</u>	<u>TOTAL</u>	<u>Source of Funds</u>
Department of Health and Human Services	\$0	\$1,200,000	\$1,200,000

Up to \$50,000 of this appropriation may be used by the Department of Health and Human Services for administration of this COVID response grant program. The remaining \$1,150,000 will be distributed to eligible Adult Medical Day Care provider organizations which have applied for assistance and provided all documentation that may be required by the Department.

This appropriation is needed to act in response to a public health or safety emergency and to act without delay in the public interest.

This is a correct copy of Council action.

Judy Rupp
Clerk of the Council