



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 – Joshua M. Sharfstein, M.D., Secretary

FEB 27 2012

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

The Honorable Norman H. Conway
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 Conway:

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

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

Sincerely,

Joshua M. Sharfstein, M.D.
Secretary

Enclosure

cc: Chuck Milligan
Mark Leeds
Marie Grant

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INTRODUCTION

HB 171 from the 2011 legislative session requires that the Department of Health and Mental Hygiene (the Department) report on the status of the independent home care providers participating in the following programs: Older Adults Waiver, Living At Home Waiver, State Plan Personal Care program and the Department of Human Resources' In-home Aide Service 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 is in effect until June 30, 2012. The memorandum of understanding outlines responsibilities and requirements for both the Department and AFSCME and also provided for a rate increase to independent home care providers in the State Plan Personal Care program.

HB 171 took effect on July 1, 2011. The legislation requires a 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.

REPORT REQUIREMENTS

(1) In the past year, there were 3,816 (898 in the Living at Home and Older Adults Waiver and 2,918 in the State Plan Personal Care program) independent home care providers actively enrolled in the programs. The waivers and the State Plan Personal Care program provided personal care services to approximately 8,245 participants (3,056 in the waivers and 5,189 in the State Plan Personal Care program), including participants receiving services through provider agencies. In both waivers, the number of agency providers is higher than that of independent home care providers, however 90% of State Plan Personal Care program is provided by independent providers. The In-Home Aide Service Program provided services to 2,563 participants with only 13% (333 participants) receiving services from an independent provider.

(2) As of December 2011, according to an AFSCME reported list of providers joining the collective bargaining unit, approximately 800 independent home care providers that have joined the unit match our current provider list for personal care services. These providers serve approximately 1,300 to 1,500 consumers of personal care services.

(3) At this point, the Department has not seen any positive or negative effect from the adoption of this legislation. 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 memorandum of understanding.

The Department has added an AFSCME representative to several work groups. The Department will continue to work with the representative within the terms of the memorandum of understanding on all issues regarding independent home care providers.

CONCLUSIONS AND NEXT STEPS

The Department is beginning negotiation with AFSCME regarding the renewal of the collective bargaining agreement which ends June 30, 2012. Negotiations are expected to continue in 2012 and result in a revised memorandum of understanding.