



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

JAN 02 2013

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 the report required by 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
Sarah Albert, MSAR #8802

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INTRODUCTION

HB 171 (Chapter 171 of the Acts of 2011) 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: the Medicaid Waiver for Older Adults, the Living at Home Waiver Program, the Medicaid Personal Care Program and the Department of Human Resources' In-Home Aide Service Program.

BACKGROUND

On August 6, 2007, the Governor signed Executive Order 01.01.2007.15 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 expired on June 30, 2012. Negotiations for a new agreement are currently underway.

HB 171 took effect on July 1, 2011. The legislation requires an annual 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. An initial report was submitted to the legislature in December 2011.

REPORT REQUIREMENTS

- (1) In the past year, there were 3,882 (965 in the Living at Home and Older Adults waivers and 2,917 in the Personal Care Program) independent home care providers actively enrolled in the programs. The three Medicaid programs provided personal care services to approximately 9,976 participants (4,886 in the waivers and 5,090 in the Personal Care program), including participants receiving services through provider agencies. In the Medicaid Waiver for Older Adults the number of agency-employed home care providers are higher than that of independent home care providers, however the majority of home care in the Living at Home Waiver and Personal Care program is provided by independent providers. The In-Home Aide Service Program provided services to 2,465 participants with only 13 percent (320 participants) receiving services from an independent provider.
- (2) As of December 2012, approximately 1,434 independent home care providers have joined the union and are paying dues through the fiscal intermediary, Administrative Services, Inc. The union members monthly dues are \$25.00. These providers serve approximately 37 percent of the consumers receiving Medicaid-covered 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 AFSCME representatives to several work groups. The Department will continue to work with the representatives on all issues affecting independent home care providers.

CONCLUSIONS AND NEXT STEPS

The State is negotiating with AFSCME regarding the renewal of the collective bargaining agreement. Negotiations are expected to continue in 2013 and result in a revised memorandum of understanding.