Developmental Disabilities Administration
Report on the Waiting List Equity Fund
Fiscal Year 2023

Background

Md. Code Health-General Article §7-205 establishes the Waiting List Equity Fund ("Fund") in the Maryland Department of Health (MDH). MDH's Developmental Disabilities Administration (DDA) provides funding for various services to eligible individuals with a developmental disability, as defined in Health-General Article §7-101.

The purpose of the Fund is to ensure that, when individuals with a developmental disability leave State Residential Centers (SRCs), funds representing the net average cost of serving these individuals follow them to pay for the first year of community-based services. Any funds remaining in the Fund are used to provide community-based services to other individuals who are eligible for, but not receiving, a community-based service, including both individuals leaving SRCs and those generally eligible for DDA's funding of services.

Health-General Article § 7-205f requires the DDA to report annually to the General Assembly and the Department of Legislative Services on the Fund, including:

(1) An accounting of all receipts and expenditures to and from the Fund (Table 1);
(2) The number of individuals who left and entered SRCs during the previous year (Table 2);
(3) The number of additional persons who were on the waiting list for services funded by the DDA (the "DDA Waiting List") during the previous year (Tables 3A & 3B); and
(4) An accounting of each of the factors used in determining the cost of providing services to an individual in an SRC (Tables 4A & 4B).

Executive Summary

As calculated in the Tables below, the Fund's balance as of July 1, 2022 was $12,001,234.21 and the ending balance as of June 30, 2023 was $14,847,181.59 representing a net increase at the end of Fiscal Year (FY) 2023 of $2,845,947.38.

The DDA notes that statutory restrictions on eligible expenditures from the Fund within Health-General Article §7-205 prohibit many types of spending within the Fund, resulting in increasing balances.

Overall, there were 15 admissions and 19 discharges from the MDH SRCs – the Potomac Center and Holly Center – during FY 2023.

The DDA follows the federally approved Medicaid Waiver applications and regulations to determine an individual's eligibility for DDA-funded services, priority category, and placement on the Waiting List for community services. As of the end of FY 2023, there were 3,907 individuals determined to be DD-Eligible who met the medical eligibility requirements to receive DDA waiver services on the Waiting List (Table 3A). Additionally 2,296 individuals on the Waiting List were determined to be Supports Only, meaning they have a physical or mental impairment, but not just mental illness, that would likely continue forever, but did not meet the full medical eligibility requirements to receive DDA waiver services (Table 3B).

Table 1 – FY 2023 Receipts and Expenditures to and from the Fund[1]

Balance: July 1, 2022	$12,001,234.21
Deposits:	
SRC Facilities' Budget Surplus	$2,454,428.00
Interest Earned (Fund & Community Service Trust Fund)*	$379,804.77
Fund's State Tax Check Off	$318,392.38
Disbursements:	$306,678.07
Balance: June 30, 2023	$14,847,181.59

* The interest earned from the Community Service Trust Fund helps support the Fund.

Table 2 – FY 2023 Admissions and Discharges from State Residential Centers[2]

	Admissions	Discharges
Potomac Center	10	13
Holly Center	5	6
Total	15	19

Table 3A - Waiting List DD Eligible – As of June 30th, 2023[3]

Crisis Resolution	Crisis Prevention	Current Request	Total
5	229	3,673	3,907

Table 3B - Waiting List Supports Only Eligible – As of June 30th, 2023[4]

Crisis Resolution	Crisis Prevention	Current Request	Total
15	271	2,010	2,296

[1] Source: DDA Fiscal unit, November 27, 2023
[2] Source: Annual Managing for Results (MFR) submission, 2023, for State Residential Centers performance measures PC104, PC105, HC104, and HC105
[3] Source: DDA Office of Data and Analytics Management, retrieved November 17, 2023
[4] Source: DDA Office of Data and Analytics Management, retrieved November 17, 2023

Table 4A - FY 2023 Factors Used in Determining the Cost of Providing Services For an Individual in a SRC[5]

Expenditure Category	**Holly**	**Potomac**
Cost of Facility	$19,376,191	$21,368,367
Less: Overhead	$10,788,593	$9,645,727
Less: Tax Equity and Fiscal Responsibility Act (TEFRA) Limit	$1,822,524	$1,296,082
Net Cost with Adjustments	$6,765,074	$10,426,558
Residential ADP*	50	47
Net Cost per Person	$135,301	$221,842
Net Cost per Person per Day	**$370.69**	**$607.79**

* ADP means the average daily population in the facility.

Table 4B - FY 2023 Calculation for Facility Deposits to the Fund[6]

Facility	**Days***	**Net Cost per Person per Day (Avg. Daily Rate)**	**Fund Deposit**
Holly Center	0	$371	$0
Potomac Center	4,036	$608	$2,454,428
Total	4,036	n/a	$2,454,428

*Days are the number of service days represented by the amount of funds deposited for each facility. It is obtained by dividing the fund deposit by the net cost per person per day. If the actual ADP for each SRC is less than the budgeted ADP, the SRC is required to deposit the resulting budget surplus into the Fund.

[5] Source: FY 2023 Appropriations report titled "Department Of Health And Mental Hygiene Developmental Disabilities Administration Calculation of Institutional Placement Costs"
[6] Source: DDA Fiscal unit, November 27, 2023