



**Committee:** HHS  
**Committee Review:** Completed  
**Staff:** Essie McGuire, Senior Legislative Analyst  
**Purpose:** To receive testimony/final action - vote expected  
**Keywords:** AMDC, ARPA

AGENDA ITEM #10  
May 3, 2022  
**Public Hearing/Action**

## 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

- The Council introduced this appropriation on April 26, 2022, and 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 importance 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.

<b>Attached:</b>	<u>©</u>
Appropriation Resolution	1-3
Council Sponsored Special Appropriation:	
Racial Equity and Social Justice	4-6

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Resolution No.: \_\_\_\_\_  
Introduced: April 26, 2022  
Adopted: \_\_\_\_\_

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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Lead Sponsor: County Council

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**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 subsidies, 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	Federal Grant American Rescue Plan Act

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.

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Judy K. Rupp, Clerk of the Council

## **Council Sponsored Special Appropriation: Racial Equity and Social Justice**

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

Council Introduced: April 26, 2022

Public Hearing and Action: May 3, 2022

HHS Committee discussion: April 21, 2022

### **DESCRIPTION and BACKGROUND**

This special appropriation will provide one-time funding from the American Rescue Plan Act (ARPA) to support Adult Medical Day Care (AMDC) centers in Montgomery County in response to the negative fiscal impacts of COVID on their operations. To prevent the spread of the coronavirus, AMDC centers were ordered to close in March 2020 and were not able to re-open until March 2021. During that time, AMDCs were required to continue certain services telephonically to clients that to who they were currently providing care but at a lesser rate of reimbursement. AMDC centers were able to re-open in March of 2021 but were not able to enroll new Medicaid clients for about six weeks and current clients have been hesitant to return to in-person services because of continued concerns about COVID. Additionally, AMDCs incurred costs associated with modifications to equipment and vehicles, purchase of personal protective equipment, and increased cleaning.

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 importance source of social activities for participants. AMDCs also provide critical support to informal/family caregivers by providing a safe structured program while informal/family caregivers are at work or in need of time for respite or other responsibilities.

### **DATA and RESEARCH**

The Commission on Aging website reports that by 2040 the Montgomery County population aged 60 years old and older is projected to increase from 233,592 (2019) to 315,666; and increase of 35%. It further notes that the population of older adults aged 85 and older is expected to increase by 77% between 2019 and 2030. The Census currently reports that in 2021, 16.1% of the population, or 169,827 people, are aged 65 and older.

Adult Medical Day Care (or Adult Day Services) provides an important service that can allow people to live at home and creates an alternative to long-term residential care. It also provides critical support to unpaid/informal family care givers. As an alternative to residential long-term care, it provides significant cost saving to Medicaid and other payment systems.

The Family Caregiver Alliance notes on its website<sup>1</sup>:

- In 2015, about 34.2 million caregivers had provided unpaid care to an adult aged 50 or older in the that 12 months.
- About 39.8 million caregivers in 2010 provided care to adults aged 18 or older with a disability or illness.
- About 15.7 million adult family caregivers care for someone who has Alzheimer's disease or some other dementia (2015).
- While most caregivers identify as White (62%), Hispanic (non-White, non-African American have the highest reported prevalence of caregiving at 21%. Caregiver prevalence among other groups is: African American 20.3%; Asian American (19.7%); and White (16.9%)

A 2019 study documented the impact of Adult Day Services on a caregiver's ability to tend to their own medical needs.<sup>2</sup>

**“What did the researchers find?** Almost 28% (n= 138) of the participants missed a physician's appointment in the past six months. Based on a statistical analysis, caregivers who utilized ADS were nearly 50% less likely to miss a physician's appointment compared to those who did not attend ADS. The study also found that black caregivers, compared to white caregivers, and those caregivers with an increased number of chronic health conditions, compared to those with fewer health condition, were more likely to miss a physician's appointment. Additionally, older caregivers, compared to younger caregivers, were less likely to miss a physician's appointment.

**What do the results mean?** The authors' show that ADS use may allow caregivers the respite required to attend medical appointments, an essential part of self-care. Although other studies have shown positive health benefits of ADS to caregivers' emotional and physical well-being, the current study extends these benefits to include caregivers' health behavior.”

The Centers for Disease Control and Prevention (CDC) estimated that nationally in 2018 about 251,000 participants were enrolled in Adult Day Services Centers.<sup>3</sup>

- 57% were female.

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<sup>1</sup> [Caregiver Statistics: Demographics - Family Caregiver Alliance](#)

<sup>2</sup> National Adult Day Services Association (NADSA) Research Roundup – Adult Day Services Use Decreases Likelihood of a Missed Physician's Appointment Among Dementia Caregivers

<sup>3</sup> National Center for Health Statistics Data Brief No. 114, September 2021; Adult Day Services Center Participant Characteristics: United State, 2018

- Most were of a race or ethnicity group other than non-Hispanic white, with 22% percent identified as Hispanic, 17% as non-Hispanic Black, and 16% non-Hispanic other.
- 72% of participants were Medicaid beneficiaries.
- 18% of participants needed assistance with one or two Activities of Daily Living (ADL) and 64% needed assistance with three to six ADLs.
- Most participants had a diagnosis of multiple health conditions. The four most reported diagnosis were high blood pressure (51%), diabetes (30%), Alzheimer disease and other dementias (28%) and intellectual and developmental disabilities (27%).

For AMDC participants benefits can include continued independence, socialization, health monitoring/medical screenings, recreation, physical and speech therapy, reduced stress, and improved caregiver-participant relationship.

All licensed AMDCs in Maryland accept any Medicaid client who selects that organization and be equal opportunity providers. AMDCs in Montgomery County address the language and cultural needs of several specific communities, including residents who are Chinese, Korean, Jewish, Hispanic, Persian/Middle Eastern, and Russian. Culturally appropriate food, such as Kosher or Halal meals may be provided. Centers may have mixed populations but also have programming that addresses specific resident needs, such as a Spanish speaking program.