



6811 Campfield Road
Baltimore, MD 21207

TO: The Honorable Delores G. Kelley
Chairwoman, Finance Committee

FROM: LeadingAge Maryland

SUBJECT: Senate Bill 449, Labor and Employment- Direct Care Workforce Innovation Program

DATE: February 27, 2020

POSITION: **Favorable**

LeadingAge Maryland supports Senate Bill 449, Labor and Employment – Direct Care Workforce Innovation Program.

LeadingAge Maryland is a community of not-for-profit aging services organizations serving residents and clients through continuing care retirement communities, affordable senior housing, assisted living, nursing homes and home and community-based services. We represent more than 120 not-for-profit organizations, including the vast majority of CCRCs in Maryland. Our mission is to expand the world of possibilities for aging in Maryland. We partner with consumers, caregivers, researchers, faith communities and others who care about aging in Maryland.

Senate Bill 449 establishes a Direct Care Workforce Innovation Program in the Division of Workforce Development and Adult Learning within the Maryland Department of Labor. This program would provide matching grants to eligible entities to create and expand successful recruitment and retention strategies that address the potential barriers to increasing the number of direct care workers.

The Maryland Regional Direct Services Collaborative, in which LeadingAge Maryland is a founding member, serves as a network of organizations and individuals working together to build and sustain a well-trained direct services workforce in the Maryland region. The challenge associated with hiring and retaining direct care workforce tops the list of concerns that our nonprofit organizations express, not only for the future, but also right now. Direct care workers are critically important in providing round-the-clock supports and care services to frail older

adults and people with disabilities. These dedicated professionals accomplish difficult work with demanding schedules and low wages (median hourly wage in Maryland is \$13.03/hour – a median annual income of \$22,700). Forty-three percent of direct services workers in Maryland rely on some form of public assistance.

Older adults are growing as a proportion of the population which means that care needs are expanding. A study of Maryland conducted by PHI in 2018 indicated that the number of older adults is predicted to grow by 75% within the next 30 years from 837,500 in 2015 to nearly 1.5 million in 2045. During the same time, adults over 85 will increase by nearly 200 percent. With only 5% expected growth among working-age adults, the ratio of working-age adults to those over 85 will shrink from 32-1 in 2015 to 12-1 in 2045.

While we have much more information we could offer to support the challenge of finding, training and retaining caregivers and direct service workers, we also have the daily experience of nonprofits who recognize that a well-trained and sufficient workforce is a critical component of quality care and yet struggle to find workers. Senate Bill 449 offers the opportunity for a variety of partners to collaborate to find innovative solutions to these challenge, to pilot approaches that are showing promise elsewhere, and to assure that older adults and people with disabilities in Maryland can get the care they need.

For these reasons, LeadingAge Maryland respectfully requests a favorable report for Senate Bill 449.

For additional information, please contact Aaron J. Greenfield, 410.446.1992