



Managed by LifeSpan

TO: The Honorable Anne R. Kaiser, Chair  
The Honorable Dereck E. Davis, Chair  
Members, House Ways & Means Committee  
Members, House Economic Matters Committee  
Administration

FROM: Danna L. Kauffman  
Pamela Metz Kasemeyer

DATE: February 4, 2021

RE: **SUPPORT** – House Bill 612 – *Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families (RELIEF) Act*

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On behalf of the Maryland Association of Adult Day Services (MAADS), a provider association representing medical adult day care centers throughout Maryland, we respectfully **support** the passage of House Bill 612, which, among other provisions, excludes fiscal 2020 and 2021 from the multi-year lookback periods generally used to establish employer UI taxes each year; exempts from the State income tax certain coronavirus relief payments; and authorizes the Department of Commerce to convert certain business loans into grants. Not only does MAADS support House Bill 612, but we respectfully request that if additional funding is allocated through the bill that medical adult day care centers be included.

Medical adult day is a community-based program, allowing the elderly and adults with physical and/or mental disabilities to remain in their homes but be transported to centers during the day to receive health monitoring, socialization, daily meals, and nursing care in a safe and structured environment. Pre-COVID-19 pandemic, there were over 126 centers located throughout the State, caring for nearly 6,000 clients per day. Medical adult day programs are a critical component in the continuum of care. By providing individuals with daily nursing and other supportive services, participants can avoid more costly acute care visits. For family members of participants, they can go to work with the knowledge that their loved one is safe. Medical adult day care services are primarily funded through the Medicaid program, the Veterans Administration, a State subsidy grant, and private pay.

Since March 18, 2020, per the Governor's Executive Order, medical adult day centers have been closed. For those whose clients are enrolled in Medicaid, the State has reimbursed those centers at an administrative rate equal to 85% Medicaid with the caveat that center staff perform "check-in" calls on client's physical and mental well-being. Many centers have gone above and beyond this requirement and delivered meals, activities, and other support services to their clients. The payment of the administrative rate has been a lifeline for centers. Without it or its continuation, centers would already have had to shutter

their doors, eliminating the availability of this necessary home-and-community based service upon the termination of the public health emergency.

However, not every center has benefitted equally from the administrative rate. For centers with low Medicaid census or for those centers with declining Medicaid enrollment, they have struggled to maintain operations. Many have applied for and received State loans and grants, but that money has already been spent. Without an additional infusion of assistance, the likelihood that centers will close increases each day. Therefore, MAADS respectfully request that if the Committee makes the decision to add additional funding to House 612, like the Senate Budget & Taxation Committee, that medical adult day care centers be included in a funding allocation.

**For more information call:**

Danna L. Kauffman  
Pamela Metz Kasemeyer  
410-244-7000