



576 Johnsville Road
Sykesville, MD 21784

TO: Health and Government Operations Committee
FROM: LeadingAge Maryland
SUBJECT: House Bill 353, Maryland Health Care Commission – User Fee Assessments
DATE: February 9, 2022
POSITION: **Unfavorable**

LeadingAge Maryland opposes House Bill 353, Maryland Health Care Commission – User Fee Assessments.

LeadingAge Maryland is a community of more than 135 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. Our mission is to expand the world of possibilities for aging in Maryland. We partner with consumers, caregivers, researchers, public agencies, faith communities and others who care about aging in Maryland.

This bill increases the maximum amount, from \$16,000,000 to \$20,000,000, of user fees the Maryland Health Care Commission may assess against hospitals, nursing homes, payors, and health care practitioners.

Skilled nursing and assisted living beds have traditionally been filled almost to capacity. But as COVID-19 ravaged long-term care facilities nationwide, the occupancy rate for those beds plunged from 95 percent to around 70 percent. The median occupancy rate for U.S. nursing homes plummeted during the pandemic, from 85 percent in January 2020 to 68 percent, according to an analysis by CliftonLarsenAllen. While the arrival of vaccines and sharp declines in COVID-19 cases in nursing homes have nudged occupancy back up, it's still only 74 percent as of September 2021.

A return to pre-pandemic occupancy rates is still far off, given the ongoing staffing shortages and the spread of the omicron variant. Nursing homes are projected to lose a combined \$94 billion, based upon a report from the National Center for Assisted Living, which could affect

everything from staffing and activities to food and infection control. Now is not the time to increase nursing home user fees.

For these reasons, LeadingAge Maryland respectfully requests an unfavorable report for House Bill 353.

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