



**TESTIMONY BEFORE THE
SENATE FINANCE COMMITTEE**

January 25, 2022

Senate Bill 28: Home- and Community-Based Services Waiver - Participation and Applications
Written Testimony Only

POSITION: FAVORABLE WITH AMENDMENT

On behalf of the members of the Health Facilities Association of Maryland (HFAM), we appreciate the opportunity to express our support with amendment for Senate Bill 28. HFAM represents over 170 skilled nursing centers and assisted living communities in Maryland, as well as nearly 80 associate businesses that offer products and services to healthcare providers. Our members provide services and employ individuals in nearly every jurisdiction in the state.

Senate Bill 28 will address concerns with the home- and community-based services waiver wait list by setting the waiver cap at no fewer than 7,500 individuals, requiring the Maryland Department of Health (MDH) to send waiver applications to at least 600 individuals each month, and stating clear timelines and eligibility criteria for participation.

We support the intent of this legislation, which is to move Marylanders off the waiver wait list and into safe and appropriate care settings. It is important to address ongoing concerns surrounding the home- and community-based services waiver so that Marylanders can receive care in the clinically-appropriate setting of their choice.

We respectfully request that this legislation be amended to add language stating that the Maryland Department of Health is prohibited from cutting rates or utilization in other Medicaid programs to fund home- and community-based care. Long-term care Medicaid provides access to quality care for Marylanders facing multiple chronic conditions who would likely otherwise require care in a hospital at higher cost. Medicaid funding in long-term care remains underfunded and new or expanded programs cannot be funded at the expense of Marylanders receiving care in settings across the healthcare continuum.

HFAM has long advocated that Marylanders in need of post-acute and long-term care should receive that care in a clinically appropriate setting that meets both their medical and personal needs. HFAM has also long supported access to care and adequate funding across settings.

If a person can safely receive care support at home, then they should certainly have the opportunity to do so. However, the vast majority of people who receive care in Maryland's skilled nursing and rehabilitation centers are medically complex and require round-the-clock care. Therefore, they are unable to safely receive care at home.

Medicare and Medicaid rate structures are designed to support quality long-term and post-acute care in skilled nursing and rehabilitation centers for these medically complex people who cannot live or receive rehabilitation safely at home. Frankly, the current rate systems are not designed to sufficiently support the care of individuals with light medical needs.

We must continue to increase care capacity and adequate rates across multiple settings. We must also acknowledge that it is more expensive to provide 24-hour care for a medically complex patient with high acuity at home than in a skilled nursing and rehabilitation center. We do need to build home- and community-based care capacity, just as we need to increase capacity in long-term and post-acute care.

Again, in building capacity in any of these areas, we cannot cut rates in one setting at the expense of another, nor can we assume a reduction in the utilization of services in any particular setting. Ultimately our success in reducing utilization of long-term care services will come from our population health work to reach Marylanders at risk of chronic illness.

For these reasons and with an amendment stating that nursing home rates cannot be reduced to fund other Medicaid programs, we request a favorable report on Senate Bill 28.

Submitted by:

Joseph DeMattos, Jr.
President and CEO
(410) 290-5132