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To whom it may concern,

Dear Sir/Madam,

I wanted to take a few moments and express our opposition to SB180

We have been in business providing care for the elderly Medicaid recipients 2002 and have seen many trends in employment laws over the years. Currently, we are seeing a push from 1099 to W-2 employment model. We strongly believe this is a mistake that could lead to much lower caregiver shortages for our already underserved community.

There are more than 1200 RSA agencies in Maryland more than 50 % of Maryland's RSA still use 1099 contractors as caregivers. That's potentially 600 smaller agencies that would be negatively affected by these sudden changes. The ability to use 1099 is embedded in the Community First Choice (CFC), Community Options (CO) and Community Personal Assistance (CPAS) programs.

This transition would be overwhelming, burdensome, and will negatively affect senior home care for years to come. Home care industry is already struggling with caregiver retention and low reimbursement. Taking away ability to use 1099 would greatly affect so many companies.

In our experience, caregivers work for more than one agency at the same time, making this type of worker a good case for 1099 contractor.

The state of Maryland, through Medicaid programs creates, sets the hours for each individual client making this a dual employment situation. Its's another case for a 1099 model.

Caregivers prefer to work as 1099 and come to most agencies specifically because of 1099. They prefer to have control over schedule, the number of hours they work, client selection, location as well as financial reasons.

We are legal just audited and have been affirmed in 2022 by FDOL and MDOL.

Sincerely,

Alex Petukhov
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President, Managing Partner
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