



Dear Members of the Senate Finance Committee,

I am writing to express my strong support for SB0197. As CEO of Complete Home Care and someone who has been in the home and community based service industry for over 14 years, I believe it is important to ensure that personal care aides who work under Medicaid programs are properly classified as employees and not misclassified as independent contractors.

It is unacceptable that, despite enforcement efforts by the U.S. Department of Labor and guidance from the Office of the Attorney General, many home care agencies continue to misclassify these workers. As someone who has seen the effects of misclassification, I understand the harm it can cause to both the workers and the consumers. This misclassification affects not only the workers, who are denied benefits and face a higher tax burden, but also the clients who depend on them for their independence, the law-abiding home care agencies that face unfair competition, and the state of Maryland, which is deprived of critical revenue. It is unacceptable that the current system allows for such widespread misclassification, leading to a decline in job quality and a reduction in the social safety net for the workers.

I am grateful that SB197 offers a solution to this long-standing problem. By requiring the Maryland Department of Health to only reimburse residential service agencies if the personal care aides are classified as employees, this bill will level the playing field for law-abiding agencies, professionalize the workforce, improve the quality of care, and ensure that public dollars are not used to violate the law.

One issue that has been brought up by agencies not in support of this bill are family caregivers that work overtime. Even with overtime pay, agencies are still able to pay at or above the minimum wage and be in compliance with all labor laws, including but not limited to carry workers compensation coverage. If the FLSA law states that all caregivers, regardless of relationship, should be classified as employees and required to receive all employee benefits, why would Medicaid not want to make sure that all agencies are complying with labor standards?

In conclusion, I urge you to support SB0197 and ensure that personal care aides are properly classified as employees. This bill would provide a simple solution that will benefit all parties involved. Thank you for your time and consideration.

Sincerely,

Alex Berezin