



Testimony for **SB 197**

Residential Service Agencies – Reimbursement – Personal Assistance Services

Position: **FAV**

To Chair Beidle and members of the Senate Finance Committee:

My name is Ricarra Jones, and I am the Political Director of 1199SEIU United Healthcare Workers East. We are the largest healthcare workers union in the nation – representing 10,000 healthcare workers in long-term care facilities and hospitals across Maryland. 1199 SEIU is a proud partner of the Caring Across Maryland coalition which consists of direct care workers, patients, loved ones, and advocates who are committed to improving the long-term care infrastructure in Maryland through bolstering job quality for care workers, protecting quality of care, and increasing access to affordable long-term care.

HB 39 ensures that the Department of Health only reimburses residential service agencies that are classifying their workers as employees. Many of our members interact with home care aides who help some residents in the facilities. Home care workers are an important part of the patient care team. Often, home care workers have no idea they are being cut out of the social safety net that employees receive and are struggling to pay bills and keep a roof over their heads. Given the high demand of home care workers, HB 39 is an important solution to addressing retention of home care workers.

1199 SEIU represents healthcare workers across the care continuum – long term care, hospitals, and clinics – and we know how our broken long term care infrastructure impacts our state’s unique Total Cost of Care healthcare model and our already burdened emergency rooms. Ensuring we have the care force in Maryland to let residents age safely in their homes will positively impact the entire care system.

The widespread misclassification of these workers hurts everyone. It hurts workers by worsening job quality, cutting them out of the social safety net (making it harder for them to get benefits like workers’ compensation when they’re injured) and imposing on them a higher “self-employment” tax burden when they should be getting a tax refund. Patient quality of care is negatively impacted by high turnover when home care workers are misclassified. It hurts law-abiding RSAs that face unfair competition from RSAs that save money by shirking their obligations as workers’ employers. It hurts the State of Maryland by depriving the unemployment insurance trust fund (among other things) of critical revenue that Maryland and its workers depend on.

1199 SEIU believes that care work is essential work. Our public dollars should be going to law-abiding home care agencies not those who undercut essential staff. For those reasons and more, we urge a favorable report on HB 489.

In unity,

Ricarra Jones

Political Director, 1199 SEIU

Ricarra.jones@1199.org

www.caringacrossmaryland.org