



MARYLAND COMMISSION ON CAREGIVING

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January 24, 2024

The Honorable Joseline A. Pena-Melnyk
Chair, House Health and Government Operations Committee Room
241, House Office Building
Annapolis, MD 21401

RE: SUPPORT HB 189 - Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides - Reimbursement and Wage Reports (Homecare Workers Employment Act of 2024)

Dear Chairwoman Pena-Melnyk,

The Maryland Commission on Caregiving is pleased to submit this **letter of support for HB 189 - Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides - Reimbursement and Wage Reports (Homecare Workers Employment Act of 2024)**. This bill will address the shortage of basic data on Maryland's home care workforce by requiring reporting of certain Medicaid-funded home care workers' wage rates and lay the groundwork to solve the workforce crisis by increasing workers' wages.

Many people with disabilities and older adults rely on Medicaid-funded personal care services to provide necessary supports to live safely and independently within their homes. As the population ages, people with disabilities live longer, and national policy shifts from institutional towards community-based care, there will need to be substantial improvements in the availability of personal care aides to meet the demand. This has only been exacerbated by the COVID-19 pandemic.

Unfortunately, due to the low Medicaid-reimbursement rate for personal care services, there is little incentive for people to enter a workforce that requires them to perform oftentimes strenuous activities to support people with disabilities and older adults to live in their homes. How can residential service and home health agencies compete with other employers like Wal-Mart and Amazon which also offer a minimum of \$15/hour? Additionally, the current personal care workforce is primarily comprised of women (88%), and people of color (88%) and 32% were born out of the U.S. which makes this also a gender and racial equity issue.¹

By requiring that home care agencies that receive Medicaid reimbursement report to the Maryland Department of Labor the average, highest, and lowest pay rates they pay home care workers, Maryland can take action to ensure that workers receive competitive wages, helping attract and retain the workforce Maryland needs. In addition, it requires the Department of Health to do a new rate study every two years (the last one having occurred in 2018) so we make sure that reimbursement rates allow RSAs to keep wages competitive, rather than being a job of last resort.

¹ <https://www.phinational.org/resource/the-direct-services-workforce-in-ltss-in-md-and-dc/>

As the state slowly moves towards a self-directed model for its Home and Community-Based Services, something the Developmental Disabilities Administration (DDA) has had in its waiver program for years, it is imperative that the reimbursement rate increases to allow participants greater flexibility to hire their own staff outside the confines of an agency.

Serving as the ‘voice of the Maryland family caregiver,’ the Maryland Commission on Caregiving (“Commission”) is a 14-member Governor-appointed body charged with recommending policies that positively impact family caregivers, soliciting and responding to their concerns and acknowledging their contributions. The Commission works to ensure that caregivers across the lifespan are equipped with the resources needed to provide safe care to their loved ones. Medicaid-funded personal care programs are essential to supporting family caregivers. **Passage of HB 189 would support such efforts which is why the Commission respectfully urges a favorable report.**

Sincerely,

Kate Farinholt, Co-Chair, MD Commission on Caregiving

A handwritten signature in blue ink that reads "Kate Farinholt". The signature is written in a cursive, flowing style.