

**HB 1142 Public Health – Interested Parties Advisory Group – Establishment**  
Senate Finance Committee | March 25, 2025

**Position: FAVORABLE**

The National Women’s Law Center (NWLC) submits this testimony in support of HB 1142, which would establish an Interested Parties Advisory Group (IPAG) under the Maryland Department of Health. The advisory group would provide recommendations on payment rates for direct care workers, and critically, include the voices of those directly impacted by the care system in Maryland—the people who receive long-term care and the direct care workers who provide it.

Since 1972, NWLC has fought for gender justice—in the courts, in public policy, and in our society—working across the issues that are central to the lives of women and girls. NWLC advocates for improvement and enforcement of our nation’s employment and civil rights laws, with a particular focus on the needs of LGBTQIA+ people, women of color, and women with low incomes and their families.

***Today, Maryland’s direct care workers—most of whom are women of color—are undervalued and underpaid, which produces high turnover in the long-term care field and compromises recipients’ ability to access the care they need.***

The direct care workforce in Maryland is made up almost entirely of women<sup>1</sup>—predominantly women of color and disproportionately immigrant women<sup>2</sup>—who provide critical care to Maryland’s disabled and aging population. Around 42,000 people in Maryland receive long-term care through Medicaid,<sup>3</sup> and this number is projected to grow. While the need for long-term care is only expected to increase—with an estimated 8.9 million job openings nationwide between 2022 and 2032<sup>4</sup>—it is often difficult for employers to attract and retain staff due to the poor job quality direct care workers often experience. Nationally, the turnover rate for home care workers is close to 80%.<sup>5</sup> And worker shortages make it harder for disabled people and older adults to access the care they need, especially in the settings they prefer, like their homes. In Maryland, over 35,000 people are waiting to receive home and community-based services (HCBS).

Maryland direct care workers earn a median hourly wage of \$16.38 and typically take home less than \$32,000 each year.<sup>6</sup> As a result, a quarter of Maryland direct care workers live in low-income households.<sup>7</sup> Nationally, almost half of direct care workers rely on public assistance, including Medicaid, to get by.<sup>8</sup> And in Maryland, almost 10% of direct care workers do not have health insurance themselves.<sup>9</sup> Home care workers—who provide care that enables disabled people and older adults to remain in their homes and communities—are paid the least among direct care workers: nationwide, their median annual

<sup>1</sup> 86% of direct care workers in Maryland are women. PHI, “Direct Care Workforce State Index: Maryland,” July 20, 2024, <https://www.phinational.org/state/maryland/>.

<sup>2</sup> 81% of direct care workers in Maryland are people of color. PHI, “Direct Care Workforce State Index: Maryland.”

<sup>3</sup> Maryland Department of Health, “Medicaid Long Term Services and Supports (LTSS),” last accessed March 3, 2025, <https://health.maryland.gov/mmcp/longtermcare/pages/home.aspx>.

<sup>4</sup> 8.9 million job openings, including existing jobs that need to be filled when workers leave the industry. PHI, “Direct Care Workers in the United States: Key Facts 2024,” Sept. 2024, <https://www.phinational.org/resource/directcare-workers-in-the-united-states-key-facts-2024/>.

<sup>5</sup> Joyce Famakinwa, “Home Care’s Industry-Wide Turnover Rate Reaches Nearly 80%,” Home Health Care News, July 3, 2024, <https://homehealthcarenews.com/2024/07/home-cares-industry-wide-turnover-rate-reaches-nearly-80/>.

<sup>6</sup> PHI, “Direct Care Workforce State Index: Maryland.”

<sup>7</sup> Ibid.

<sup>8</sup> Veronica Faison, “Supporting Home- and Community-Based Care Advances Gender Justice,” NWLC, Nov. 2024, [https://nwlc.org/wp-content/uploads/2024/11/final\\_NWLC\\_2024CaregivingReport.pdf](https://nwlc.org/wp-content/uploads/2024/11/final_NWLC_2024CaregivingReport.pdf)

<sup>9</sup> PHI, “Direct Care Workforce State Index: Maryland.”

income is just \$21,889.<sup>10</sup> This precarity is especially troubling given that—like so many women workers—direct care workers have caregiving responsibilities: nearly 30% of home care workers live with children under 18 years old, and 30% are unpaid family caregivers for an older adult.<sup>11</sup>

In Maryland, where direct care workers are mostly Black women,<sup>12</sup> the gender and racial wage gap is steep. Black women working full time, year-round in Maryland typically are paid \$0.67 for every dollar paid to their white, non-Hispanic male counterparts, while full-time working women overall are paid \$0.86 for every dollar paid to men.<sup>13</sup> While Black women face multi-faceted economic barriers due to systemic prejudice, ensuring that direct care worker wages keep up with the standard of living can help chip away at the gender wage gap that stems in part from the low wages in occupations like direct care work, where the critical work performed by women of color has been undervalued for generations.

***By including worker and recipient voices, the Interested Parties Advisory Group would advise on a Medicaid reimbursement rate that would better compensate direct care workers—and therefore help make the long-term care system in Maryland more sustainable.***

In 2024, the Centers for Medicare and Medicaid Services (CMS) recognized the fact that access to quality care for recipients and job quality for direct care workers are inextricably linked in establishing the Medicaid Access Rule—which requires states to set up an advisory group to consult on Medicaid reimbursement rates.<sup>14</sup> It permits the representation of direct care workers and workers' rights organizations to be a part of this official body established by the state.

HB 1142 directs the Maryland Department of Health to establish a robust Interested Parties Advisory Group that allows for meaningful participation of the direct care workforce, giving workers a voice before policymakers to recommend how the state can improve working standards and helping to ensure that Maryland establishes Medicaid rates that are high enough to pay home care workers adequate wages. The bill lays out a balanced composition of members on the IPAG to ensure that the voices of direct care workers are adequately represented along with the voices of other relevant stakeholders, like recipients of long-term care. The IPAG will develop recommendations that enable policymakers to make sound decisions to stabilize the workforce.

Raising wages is a proven tactic for states to address shortages in the direct care workforce and increase access to care.<sup>15</sup> Since Medicaid is largely the payer of direct care worker wages, evaluating the adequacy of the Medicaid reimbursement rate is central to bettering the lives of home care workers who provide services—and bettering the lives of the people seeking dignified, accessible care. Increased wages for direct care workers would also help address inequities that women of color face in Maryland.

Aligned with the Medicaid Access Rule, HB 1142 will ensure that recipients of care and direct care workers have a voice in raising the reimbursement rates that determine the job quality of direct care workers—and thus, the quality of care people receive. **For all of these reasons, we urge the Committee to pass HB 1142, and respectfully request a favorable report.**

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<sup>10</sup> PHI, "Direct Care Workers in the United States: Key Facts 2024," Sept. 2024, <https://www.phinational.org/resource/directcare-workers-in-the-united-states-key-facts-2024/>.

<sup>11</sup> Ibid.

<sup>12</sup> PHI, "The Direct Services Workforce in Long-Term Services and Supports In Maryland and the District of Columbia," 2018, <https://www.phinational.org/wp-content/uploads/2018/09/DSWorkers-Maryland-2018-PHI.pdf>.

<sup>13</sup> NWLC, "The Wage Gap, State by State," Sept. 2024, <https://nwlc.org/resource/wage-gap-state-by-state/>.

<sup>14</sup> CMS, "Ensuring Access to Medicaid Services Final Rule (CMS-2442-F)," April 2024, <https://www.cms.gov/newsroom/fact-sheets/ensuring-access-medicaid-services-final-rule-cms-2442-f>

<sup>15</sup> Alice Burns, Maiss Mohamed, Priya Chidambaram, Abby Wolk, and Molly O'Malley Watts, "Payment Rates for Medicaid Home Care: States' Responses to Workforce Challenges," KFF, Feb. 2025, <http://kff.org/medicaid/issue-brief/payment-rates-for-medicaid-home-care-states-responses-to-workforce-challenges/>.

Please do not hesitate to contact Veronica Faison at [vfaison@nwlc.org](mailto:vfaison@nwlc.org) if you have questions or require additional information. Thank you for your consideration.

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