

HB933_Marylanders for Patient Rights_fav.pdf

Uploaded by: Anna Palmisano

Position: FAV

Marylanders for Patient Rights

MARYLANDERS FOR PATIENT RIGHTS REQUESTS A FAVORABLE REPORT ON HB933 Nursing Homes-Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act)

Marylanders for Patient Rights is the leading advocacy coalition for patients in our state. We strongly support HB933 which will enable effective policymaking to protect the health of nursing home residents. Basically, HB933 will require each nursing home to expend at least 75% of its total nursing and residential care revenue for direct care wages and benefits. It will require each nursing home to submit an annual cost report with documentation of wage disbursement to the Maryland Dept. of Health (MDH).

Importantly, HB933 requires the MDH to take appropriate enforcement action, if necessary, thus improving the current oversight of nursing homes. The failure of MDH to enforce compliance with existing health care laws in the past has led to those laws being ineffectual and lawsuits targeting the MDH.

Nursing homes across the state face critical staffing shortages, leading to high staff turnover and negatively impacting the quality of care for these vulnerable patients. Understandably, careworkers are leaving the field for better paying employment and benefits at retail giants and restaurants. It is vitally important to ensure that this critical workforce is treated fairly and attracts qualified and caring workers, as our population ages.

Moreover, the HB933 will address the lack of transparency regarding nursing home spending, in particular the percentage of nursing home revenue allocated to resident care and worker's wages.

Please provide a favorable report on HB933, and help to protect Maryland nursing home patients and residents by ensuring transparency of wages and benefits for our vital caregiver workforce.

Thank you,

A C Palmisano

Anna C. Palmisano, Ph.D, Director
Marylanders for Patient Rights
palmscience@verizon.net

MDOA Written- FAV As Amended - HB933.pdf

Uploaded by: Carmel Roques

Position: FAV



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

Date: February 18, 2025

Bill Number: HB933

Bill Title: Nursing Homes – Cost Reports

Committee: Health and Government Operations

MDOA Position: SUPPORT AS AMENDED

The Maryland Department of Aging (MDOA) submits this letter of support as amended for House Bill (HB) 933 - Nursing Homes – Cost Reports.

As amended, HB933 will charge the Maryland Department of Health (MDH) to review cost reports and other data around the allocation of resources to contracted nursing care services, salaries and wages of all non-administrative direct care workers that are submitted by every nursing home in the state that participates in the Maryland Medical Assistance Program. The Department will report its findings by October 1, 2025 and every October 1 thereafter through 2029. MDOA supports HB933 as amended as a cost-neutral, positive first data-driven step towards greater understanding of how nursing homes participating in Medicaid in Maryland are spending their funds, how much they are paying their direct care staff and potentially more about their ownership structures. MDOA appreciates the efforts of the bill sponsor and MDH on these amendments that will be significant in strengthening Maryland's cost-reporting and data collection process for nursing homes. This bill as amended will better inform the public and best inform future rate setting for Medicaid-funded care workers and enforcement requirements.

By prioritizing the state's commitment to high-quality care in nursing homes and the care workforce within the, HB933 will support Maryland's commitment to building a longevity-ready¹ future. For these reasons, the Department of Aging respectfully urges a **favorable report for House Bill 933 as amended.**

¹ MD Department of Aging, Longevity Ready Maryland Initiative, <https://aging.maryland.gov/LRM/Pages/Goals.aspx>



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

If you have any questions, please contact Andrea Nunez, Legislative Director, at andrea.nunez@maryland.gov or (443) 414-8183.

Sincerely,

A handwritten signature in blue ink that reads "Carmel Roques". The signature is written in a cursive style with a long, sweeping underline.

Carmel Roques
Secretary
Maryland Department of Aging

HB 933 - Nursing Homes - Cost Reports - FAV.pdf

Uploaded by: Donna Edwards

Position: FAV



MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO

7 School Street • Annapolis, Maryland 21401-2096

Balto. (410) 269-1940 • Fax (410) 280-2956

President

Donna S. Edwards

Secretary-Treasurer

Gerald W. Jackson

HB 933 - Nursing Homes - Cost Reports

Senate Finance Committee

April 1, 2025

SUPPORT

Donna S. Edwards

President

Maryland State and DC AFL-CIO

Madame Chair and members of the Committee, thank you for the opportunity to submit testimony in support of HB 933. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 300,000 union members, I offer the following comments.

Nursing homes rely on public funding through Medicare and Medicaid, but Maryland does not have a transparent process in place to track exactly how public dollars are being spent. A study done by economists Ashvin Gandhi and Andrew Olenski found that nursing homes hide nearly 63% of profits, often diverting millions of dollars of public reimbursement to private personal profit.¹ This, in turn, significantly limits the money available to support staff and fund the resources needed for quality resident care.

HB 933 improves nursing home transparency by requiring the Maryland Department of Health to review cost reports and other data submitted by nursing homes to ensure oversight into how public dollars are being spent. Review of these cost reports have a focus on how revenues are allocated, specifically to contracted nursing care services and salaries and wages of all nonadministrative staff that include certified nurse aides, directors of nurses, licensed practical nurses, registered nurses, noncertified or resident care aides, housekeepers, dietary aides, and in-house clerical staff. Including these personnel into the cost report review process prioritizes those who are on the ground, working to improve patient care everyday.

Using data to see where nursing home funds are being spent and a fair review process ensures transparency and accountability while also helping to address the growing healthcare workforce shortage in our state.

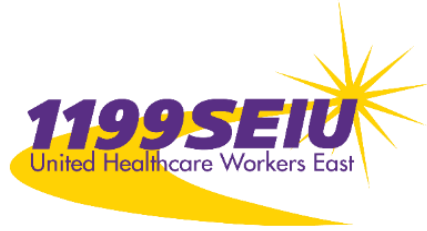
For these reasons, we urge a favorable vote on HB 933.

¹ Ashvin Gandhi and Andrew Olenski, "Tunneling and Hidden Profits in Healthcare." July 2024.

HB 933_Finance_1199SEIU_FAV1.pdf

Uploaded by: Loraine Arikat

Position: FAV



HB 933
Nursing Homes - Direct Care Wages and Benefits and Cost Reports
(Nursing Home Care Crisis Transparency Act)
Position: Favorable

Dear 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 in Maryland/DC. 1199SEIU is the largest healthcare union in the nation, and here in Maryland we have over 10,000 members working in hospitals, long term care settings, and federally qualified health centers. 1199SEIU supports HB933 which requires a study of nursing home revenue and expenses as it relates to direct care.

HB 933 aims to improve nursing home transparency by ensuring Maryland's cost reports collect accurate and appropriate information to be able to establish direct care ratios – requirements that facilities spend specific and designated percentages of their reimbursement or revenue on resident care and limiting profits. There is precedent for establishing spending requirements that prioritize direct care in states like Massachusetts, New Jersey, and New York. In 2020, Massachusetts implemented a direct care cost quotient as a regulatory requirement to hold facilities financially accountable for prioritizing support of direct care staff on at least 70% of revenue spent. In 2021, New Jersey passed legislation establishing a direct care ratio requirement that calls for 90% of revenue spent on direct care. In the same year, New York passed legislation mandating nursing homes spend 70% of operating revenue on direct care resident care, of which 40% must be spent on direct care staff, while also capping profits at 5%.

Nursing homeowners and operators hide their profits by making inflated payments to companies they own and control, which are called related parties. The diversion of millions of dollars of public reimbursement to private personal profit through payments to related parties limits the money available for resident care and results in residents' poor care, suffering, and death. At present, according to the HHS Office of Inspector General's 2024 report, facilities pay [40% of their revenues](#) to related parties.

Nursing homes rely mostly on public funding through Medicare and Medicaid, and yet, stakeholders in Maryland do not have a clear picture on how public dollars are used in our

nursing homes. The spending decisions made by Maryland's nursing home owners can often be as opaque as the ownership of those facilities themselves. In 2023, 1199SEIU supported legislation to address the increasingly rapid pace of Maryland's nursing home acquisitions. Maryland ranks 5th highest in the nation for nursing home acquisitions with a 33 percent turnover of nursing homes. A 2023 White House Fact Sheet found that PE owned nursing home residents are 11.1% more likely to have a preventable Emergency Department visit and 8.7% more likely to have preventable hospitalization. As noted in a final report of the Acquisitions Workgroup of the Maryland Health Care Commission, Maryland is an attractive target for private equity firms. The complicated ownership structures of nursing homes can make it easier for these facilities to siphon dollars away from direct care.

HB 933 will work with Maryland Department of Health to analyze nursing home expenditure and direct care expenditure to inform future policy on spending requirements. Too many seniors and families are accepting substandard care because their nursing home tells them that they cannot afford to hire more staff. In "[Tunneling and Hidden Profits in Health Care](#)" (July 13, 2024), economists analyzed 24 years of Medicaid cost report data in Illinois and found that nursing facilities hid 62.9% of their profits by paying inflated prices to related parties, largely in real estate and management fees. They calculated that if nursing facilities spent their hidden profits on staffing, mean staffing ratios would significantly increase – by nearly 0.23 hours per resident day (HPRD) of registered nurse (RN) time, a 28.9% increase, or by 0.47 HPRD of certified nurse aide (CNA) time, a 21.0% increase.

Analyzing the data needed to make sure nursing home funds are being used on direct care wages and benefits is fundamental to protecting our state's most vulnerable residents from abuse and neglect. For those reasons, we support HB 933 and urge a favorable report.

Sincerely,

Ricarra Jones
Political Director
1199 SEIU United Healthcare workers East.
Ricarra.jones@1199.org

HB 933 - X - FAV - FIN - ALZ Association.pdf

Uploaded by: Megan Peters

Position: FAV



Bill: HB 933 - Nursing Homes - Cost Reports

Committee: Finance Committee

Position: Favorable

Date: April 1, 2025

On behalf of the 127,200 Marylanders living with Alzheimer's disease and their 247,000 caregivers, the Alzheimer's Association supports HB 933 - Nursing Homes - Cost Reports. This bill will improve public transparency of nursing home revenue, including how revenue is spent on salaries and wages for all direct care nonadministrative staff.

The largest segment of the workforce that supports people living with dementia is the direct care workforce.¹ These workers – consisting of personal care aides, home health aides, nursing assistants, and more – assist with activities of daily living, such as bathing and eating, and play a broader role in promoting well-being for those living with dementia. Many of these workers interact in nursing homes with people living with dementia – as of 2024, an estimated 46% of nursing home residents nationally have Alzheimer's or other dementia.²

More direct care workers will be needed in the years ahead as Maryland's population ages and the prevalence of dementia increases. Currently, the direct care workforce faces staffing challenges driven by persistently low compensation. The median annual wage for Maryland nursing assistants was \$35,760 in 2022, and short staffing can lead to poor quality of care. These issues are especially concerning as the acuity levels of care have increased in recent years for nursing home residents. Maryland must take action to address concerns among this workforce and the impacts on our most vulnerable adults.

Currently, there is limited transparency on how Maryland's nursing homes spend their revenue (including the revenue from Medicare and Medicaid funding). HB 933 establishes increased fiscal transparency for nursing homes to ensure Marylanders are aware of how much money is being invested in direct care and worker wages.

HB 933 is an important step to improve jobs for our direct care workers in nursing homes and improve the safety and the quality of care for some of Maryland's most vulnerable adults. The Alzheimer's Association urges a favorable report on HB 933. Please contact Megan Peters, Director of Government Affairs at mrpeters@alz.org with any questions.

¹ 2024 Alzheimer's Disease Facts and Figures

<https://www.alz.org/getmedia/76e51bb6-c003-4d84-8019-e0779d8c4e8d/alzheimers-facts-and-figures.pdf>

² National Center for Health Statistics. Biennial Overview of Post-acute and Long-term Care in the United States.

Available at: <https://data.cdc.gov/d/wibz-pb5q>

HB 933 - FIN - MDH - LOSAA.docx (1).pdf

Uploaded by: Meghan Lynch

Position: FAV



Wes Moore, Governor · Aruna Miller, Lt. Governor · Ryan Moran, DrPH, MHSA, Acting Secretary

April 1, 2025

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Office Building
Annapolis, MD 21401-1991

RE: House Bill 933 – Nursing Homes – Cost Reports – Letter of Support as Amended

Dear Chair Beidle and Committee Members:

The Maryland Department of Health (Department) respectfully submits this letter of support as amended for House Bill (HB) 933 - Nursing Homes – Cost Reports.

As amended, HB 933 requires the Department to review the cost reports and other data including data related to revenues allocated to contracted nursing care services; and salaries and wages of all direct care non-administrative staff submitted by each nursing home that participates in the Maryland Medical Assistance Program. This bill additionally requires the Department to report the findings resulting from the review conducted under the Act to the Governor, the Senate Finance Committee and the House Health and Government Operations Committee of the General Assembly by October 1, 2025, and each October 1 thereafter through 2029.

The Department is committed to strengthening the cost reporting and data collection process. The report required by this bill will enable greater transparency and understanding of nursing facility costs as well as current rates that could potentially inform setting rates and compliance thresholds in the future.

If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron, Director of Governmental Affairs at sarah.case-herron@maryland.gov

Sincerely,

Ryan B. Moran, DrPH, MHSA
Acting Secretary

HB933 - Senate - PJC - Support.pdf

Uploaded by: Sam Williamson

Position: FAV



Sam Williamson, Attorney
Public Justice Center
201 North Charles Street, Suite 1200
Baltimore, Maryland 21201
410-625-9409, ext. 234
williamsons@publicjustice.org

HB933: Nursing Homes – Cost Reports

Senate Finance Committee, April 1, 2025

Position: FAVORABLE

The Public Justice Center (PJC) is a not-for-profit civil rights and anti-poverty legal services organization which seeks to advance social justice, economic and racial equity, and fundamental human rights in Maryland. Our Workplace Justice Project works to expand and enforce the right of low-wage workers to receive an honest day's pay for an honest day's work. **The PJC supports HB933, which would gather the data we need to stabilize our nursing facility workforce.**

Maryland nursing facilities are experiencing a staffing crisis. The average nursing staff turnover in Maryland nursing facilities is a staggering 49.5% per year.¹ Turnover rates this high are associated with elevated levels of abuse towards residents.²

Studies show that staffing instability among licensed practical nurses and certified nurse aides is “red flag for quality.”³ Staff instability directly contributes to worse health outcomes among nursing facility residents. High rates of instability are tied to short-term residents failing to improve sufficiently to discharge back to the community, and to long-term residents having worsened independent mobility.

The leading causes of staff turnover are low wages and lack of benefits. Over one-third of certified nursing assistants in nursing facilities rely on public assistance to make ends meet. 40% of staff do not have employer-sponsored healthcare.⁴ We must do more to ensure that those who care for our loved ones can sustain this lifesaving work. We must invest in our care workforce.

For these reasons, the PJC **SUPPORTS HB933** and urges a **FAVORABLE** report. Should you have any questions, please call Sam Williamson at 410-625-9409 ext. 234.

¹ *Nursing Home Staff Turnover: Maryland*, CareListings, <https://carelistings.com/statistics/snf-staff-turnover/md> (based on 2023 data from the Centers for Medicare & Medicaid Services).

² *The Skilled Nursing Workforce: 2025 Report*, MissionCare Collective, p.7 (2025), <https://www.missioncare.com/hubfs/Skilled-Nursing-Workforce-Report.pdf>.

³ Dana B. Mukamel, et al., *Association of Staffing Instability with Quality of Nursing Home Care*, JAMA Netw Open. 2023;6(1):e2250389. doi:10.1001/jamanetworkopen.2022.50389, <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2800160>.

⁴ *The Skilled Nursing Workforce*, p. 9.

HB 933 Nursing HomesCost Reports.Crossover.FAV.AAR

Uploaded by: Tammy Bresnahan

Position: FAV



One Park Place | Suite 475 | Annapolis, MD 21401-3475
1-866-542-8163 | Fax: 410-837-0269
aarp.org/md | md@aarp.org | twitter: @aarpmc
facebook.com/aarpmc

HB 933 Nursing Homes - Cost Reports
Senate Finance Committee
April 1, 2025
FAVORABLE

Good afternoon, Chair Beidle and Members of the Senate Finance Committee. My name is Tammy Bresnahan, and I am the Senior Director of Advocacy for AARP Maryland. On behalf of our 850,000 members across the state, I thank you for the opportunity to speak in strong support of House Bill 933, *Nursing Homes Cost Reports*. We especially thank Delegate Martinez for championing this vital legislation.

At AARP Maryland, our top priority is protecting the health, safety, and dignity of older adults. Many older Marylanders depend on nursing homes for daily care and support. These individuals—some of our most vulnerable citizens—deserve transparency, accountability, and a care system that prioritizes their well-being.

Why HB 933 Matters to Older Marylanders

Chronic understaffing, high turnover, and poor working conditions continue to plague Maryland's nursing homes. These issues directly impact the quality of care received by older residents. Numerous studies show that well-staffed facilities lead to better health outcomes, fewer hospitalizations, and safer environments for residents.

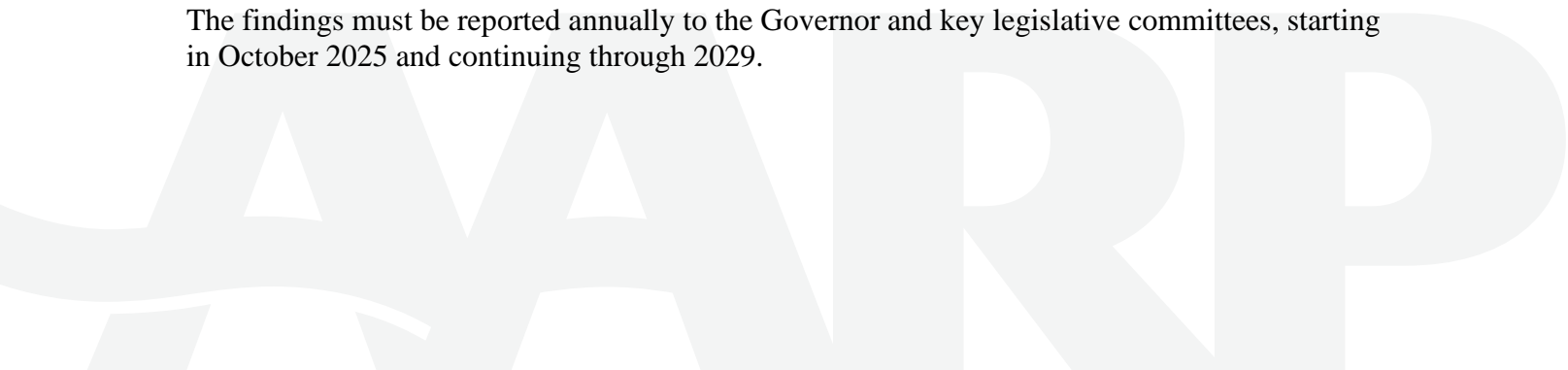
A key contributor to this staffing crisis is low pay and inadequate benefits for direct care workers—certified nursing assistants (CNAs), geriatric nursing assistants (GNAs), housekeepers, dietary staff, and others who provide essential hands-on care. These caregivers form the backbone of long-term care, yet they are often underpaid and overworked. This results in high turnover and inconsistent care, which older Marylanders simply cannot afford.

What HB 933 Will Do

This bill requires the Maryland Department of Health (MDH) to review financial cost reports submitted by nursing homes that receive Medicaid funding. These reports must include detailed data on how facilities allocate revenue, particularly in two key areas:

1. Contracted nursing care services; and
2. Salaries and wages of all direct care staff who interact regularly with residents.

The findings must be reported annually to the Governor and key legislative committees, starting in October 2025 and continuing through 2029.



Why Financial Transparency Is Critical

AARP Maryland believes that both public and private resources should be used to directly benefit residents—not to pad profits or cover excessive administrative costs. Transparent cost reporting will help ensure that nursing home funds are being spent where they matter most: on care and support for older adults.

By making financial practices more visible, lawmakers and the public will be better equipped to hold facilities accountable and push for needed reforms.

Conclusion

HB 933 is a commonsense measure that aligns with AARP's core mission: to ensure that older adults in Maryland receive the high-quality, respectful care they deserve. The bill promotes responsible use of taxpayer dollars, improves oversight, and supports the workforce that older residents depend on every day.

AARP Maryland urges a favorable report on HB 933. Let's work together to strengthen long-term care in our state and protect the dignity of older Marylanders.

Thank you for your time and consideration. Please don't hesitate to contact me at tbresnahan@aarp.org or 410-302-8451 with any questions or for further discussion.