

Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

Date: February 18, 2025

Bill Number: HB933

Bill Title: Nursing Homes - Direct Care Wages and Benefits and Cost Reports

Committee: Health and Government Operations

## **MDOA Position: FAVORABLE WITH AMENDMENTS**

The Department of Aging (MDOA) submits this **favorable with amendments** testimony for House Bill (HB) 933 - Nursing Homes – Direct Care Wages and Benefits and Cost Reports.

The Maryland Department of Aging (MDOA) serves as Maryland's State Unit of Aging, administering federal funding for core programs, overseeing the Area Agency on Aging (AAA) network at the local level that provides services, and planning for Maryland's growing older adult population. Pursuant to an Executive Order, in January 2024, MDOA launched the Longevity-Ready Maryland Initiative,<sup>1</sup> which will build upon existing efforts across state agencies, private and philanthropic sectors, and other stakeholders to tackle real-life challenges throughout the lifespan, taking a whole-of-life and whole-of-government approach.

MDOA supports the concept of mandating a minimum level of public funding to direct care workers in nursing homes that is contained in House Bill 933 as introduced. Paying direct care workers a living wage improves patient outcomes and strengthens the caregiving workforce, which is essential for Maryland's longevity-readiness. State action on this issue in the future is particularly important given uncertainty around the Centers for Medicaid Services' recently finalized Ensuring Access to Medicaid Services Final Rule.<sup>2</sup>

<sup>2</sup> Available at: <u>https://www.cms.gov/newsroom/fact-sheets/ensuring-access-medicaid-services-final-rule-cms-2442-f</u>

<sup>&</sup>lt;sup>1</sup> More on Longevity-Ready MD Initiative available at: https://aging.maryland.gov/Pages/LRM.aspx

<sup>(</sup>requiring that states ensure a minimum of 80% of Medicaid payments for homemaker, home health aide, and personal care services be spent on compensation for direct care workers furnishing these services, as opposed to administrative overhead or profit)



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MDOA supports the conversion of this bill into a study as a positive first step as well as all additional amendments that the Maryland Department of Health requests. MDOA supports strengthening the cost-reporting and data collection process for nursing homes to better inform the public and best inform future rate and enforcement requirements.

By prioritizing the state's commitment to high-quality care in nursing homes, HB933 will support Maryland's commitment to building a longevity-ready future. For these reasons, the Department of Aging respectfully urges a **favorable report with amendments for House Bill 933**. If you have any questions, please contact Andrea Nunez, Legislative Director, at andreah.nunez@maryland.gov or (443) 414-8183.

Sincerely,

Amel Roger

Carmel Roques Secretary Maryland Department of Aging