

**Testimony in Opposition to HB 1554**  
Maryland State Ways and Means Hearing

Good afternoon, Chairwoman Atterbeary and members of the committee. My name is Matt Auman, and I am the CEO of HomeCentris Healthcare, one of Maryland's largest providers of home care services to Medicaid recipients. I am here today to strongly oppose SB1045. This bill would increase the tax burden on the state's vulnerable home care agencies by taxing certain professional fees that are required of us such as accounting fees, tax preparation fees, and payroll services. These increases will ultimately impact those providers that are critical to the care of Maryland's most vulnerable residents—our seniors and individuals with disabilities who rely on home care services through Maryland Medicaid.

I understand that Maryland has a budget issue and that 2.5% does not sound like much, but as you know, Medicaid home care providers operate on fixed reimbursement rates set by the state. These rates are already insufficient to care for Maryland's seniors, and if this sales tax expansion is approved, Medicaid home care agencies do not have the ability to simply pass along these new costs to consumers, as private businesses might. Instead, any additional tax burden imposed by SB1045 will have to be absorbed directly by these agencies, many of which are already struggling to keep up with rising labor costs and inflation.

Maryland's home care providers are the backbone of our long-term care system, ensuring that thousands of seniors and individuals with disabilities can remain in their homes rather than being forced into institutional care, which is not only more expensive to the state taxpayers but also often less desirable for patients. By increasing the tax burden on these agencies, SB1045 threatens the very viability of home care businesses, leading to potential service reductions, workforce cuts, and even closures.

We should be looking for ways to strengthen access to home care, not weaken it. I urge you to consider the unintended consequences of this bill and vote NO on SB1045 to protect Maryland's home care industry and the vulnerable individuals it serves.

Thank you for your time.