

March 10, 2025

Chair Vanessa E. Atterbeary House Ways and Means Committee 130 Taylor House Office Building Annapolis, Maryland 21401 Chair Guy Guzzone Senate Budget & Taxation Committee 3 West Miller Senate Office Building Annapolis, Maryland 21401

Subject: Concern Regarding Proposed Regulation and Its Impact on Nursing Facilities

Dear Legislators

I am writing to **OPPOSE House Bill 1554/Senate Bill 1045: Sales and Use Tax – Taxable Business Services – Alterations**. As the Chief Operating Officer for Autumn Lake Healthcare's network of skilled nursing facilities, many of which are in Maryland, I am deeply concerned about the devastating financial impact this bill will have on the nursing home industry.

I have direct experience with the financial and operational challenges currently straining the longterm care industry. While I support efforts to improve care standards, this proposed regulation would impose an unsustainable financial burden on facilities, jeopardizing access to quality care for residents who rely on us. The added tax on business services would further escalate the already overwhelming operating costs of nursing homes at a time when nursing homes are grappling with soaring staffing expenses, inflation, and growing regulatory mandates.

This will inevitably lead to higher costs for residents, increased dependence on Medicaid and Medicare, and reduced access to care for those most in need, and many nursing homes will be unable to continue operating, leaving Maryland's most vulnerable populations with fewer care options.

With the long-term care industry already struggling to stay afloat, adding additional tax burdens will only exacerbate the crisis. I urge you to reject this legislation and prioritize solutions that support, rather than hinder, essential healthcare providers and access to quality care.

Sincerely,

/s Mark Schwartz Mark Schwartz Chief Operating Officer mschwartz@autumnhc.net

Good care. Good times.

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