



Managed by LifeSpan

TO: The Honorable Dereck Davis, Chair
Members, House Economic Matters Committee

FROM: Danna L. Kauffman
Pamela Metz Kasemeyer

DATE: February 5, 2021

RE: **OPPOSE (Written Only)** – *House Bill 581 – Labor and Employment – Employment Standards During an Emergency (Maryland Essential Workers’ Protection Act)*

On behalf of the Maryland Association of Adult Day Services (MAADS), we respectfully oppose House Bill 581. House Bill 581 requires employers to provide essential employees with several new benefits during a declared emergency, including 1) an increase in hazard pay of \$3/hour; 2) employer reimbursement of healthcare costs; 3) a new leave program for bereavement and health leave; 4) employee right to refuse work; and 5) workplace safety standards.

Medical adult day is a community-based program, allowing the elderly and adults with physical and/or mental disabilities to remain in their homes but be transported to centers during the day to receive health monitoring, socialization, daily meals, and nursing care in a safe and structured environment. Pre-COVID-19 pandemic, there were over 126 centers located throughout the State, caring for nearly 6,000 clients per day. By providing individuals with daily nursing and other supportive services, participants can avoid more costly acute care visits. For family members of participants, they can go to work with the knowledge that their loved one is safe. Medical adult day care services are primarily funded through the Medicaid program, the Veterans Administration, a State subsidy grant, and private pay.

Since March 18, 2020, per the Governor’s Executive Order, medical adult day centers have been closed, with limited funding provided by the Maryland Department of Health through the payment of an administrative rate equal to 85% Medicaid for certain remote services. Medical adult day centers are at a precipice. The State has not provided any guidance on when centers will be allowed to open, but the hope is that, as vaccination rates increase, centers will be once again allowed to open their doors to clients even under the continuation of the public health emergency.

However, if centers are required to implement the provisions of House Bill 581, it is highly likely that centers will simply not be able to survive, especially if they are required to pay their employees an additional \$3/hour as well as additional health care benefits and leave. The bill fails to apply any adjustment to the State’s Medicaid or other State programs to account for this expense. In addition, when centers reopen, it will require an investment in safety equipment and other modifications. Again, expenses

that are unbudgeted and unpaid for by the Medicaid program. We understand the need to protect employees and are committed to do so, however, the bill's provisions go too far and will jeopardize the ability to provide necessary health care services in the community, leaving many without options for obtaining support while remaining in their home rather than in other institutional settings. We urge an unfavorable vote on House Bill 581.

For more information call:

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