

February 5, 2021

SUPPORT SB384/HB652: Guidance and Reporting for Residential Service Agencies (RSAs)

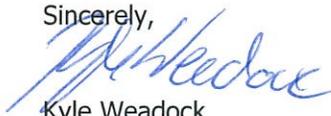
To Whom It May Concern:

My name is Kyle Weadock, President/Owner of Access Nursing Services of Maryland, Inc (ANS). ANS is a licensed Residential Service Agency (RSA #1008) which has been providing personal care services to Medicaid recipients and other patients in the state of Maryland for nearly thirty years. All of our caregivers are classified as W-2 employees of ANS and, as such, are covered under our liability and workers compensation insurance certificates which minimizes serious financial risk to the caregiver and patient due to potential injury. The majority of our caregivers are variable-hour, as-needed employees and classifying them as W-2 employees has caused no issue with the flexibility of use or scheduling of our workforce.

I firmly believe that a Residential Service Agency classifying caregivers as anything other than W-2 employees is inappropriate and downright negligent. Hiring and utilizing caregivers as independent contractors exposes them not only to serious financial risk due to the lack of insurance coverage if they're injured but it also places them in a complicated tax situation which they don't understand. I've personally witnessed caregivers classified as an independent contractor being unable to renew their license or certification with the Maryland Board of Nursing because they owe a large tax liability to the State. These caregivers were unaware of the tax situation and repercussions they were placed in because the RSA utilizing their services didn't appropriately explain this information to them before being hired. This jeopardized their livelihood by not being able to work due to a non-renewed license/certification and their ability to provide for their families. Additionally, classifying caregivers as independent contractors places the patients at serious financial risk because if the caregiver is injured on the job they can pursue legal action against the patient directly to be compensated for time lost on the job as opposed to submitting a claim to the RSA's workers compensation policy insurer which they would be required to carry if the caregivers were classified as W-2 employees. In my experience, this is not communicated to patients by the RSA either upon admission and start of care which I believe to be dishonest and careless.

Bottom line, I personally feel that much more needs to be done to stop RSA's from misclassifying caregivers as independent contractors. ANS along with a handful of other agencies we're friendly competitors with have been conducting business for decades with caregivers being classified as W-2 employees so obviously it is possible to do even in the longterm which is why I strongly support SB384/HB652.

Sincerely,

A handwritten signature in blue ink that reads "K. Weadock".

Kyle Weadock
President/Owner