LifeSpan Network

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Maryland Association of Adult Day Services
MAADS

Hospice & Palliative Care Network
OF MARYLAND

TO: The Honorable Delores G. Kelley, Chair
Members, Senate Finance Committee
The Honorable Antonio Hayes

FROM: Danna L. Kauffman
Pamela Metz Kasemeyer

DATE: January 28, 2021

RE: **OPPOSE (Written Only)** – Senate Bill 211 – *Labor and Employment – Family and Medical Leave Insurance Program – Establishment*

On behalf of the LifeSpan Network, the Maryland-National Capital Homecare Association (MNCHA), the Hospice & Palliative Care Network of Maryland (HPCNM) and the Maryland Association of Adult Day Services (MAADS), we respectfully we respectfully oppose Senate Bill 211. Senate Bill 211 would create and implement a Family and Medical Leave Insurance Program funded through employee and employer contributions. Senate Bill 211 provides paid leave to a greater number of employees than the federal Family and Medical Leave Insurance Act. Unlike the federal Family and Medical Leave Act, Senate Bill 211 applies to all employers (rather than those with 50 or more employees), allows an employee who has worked at least 680 hours (rather than 1,250 hours) to qualify for the leave, and allows an employee to take the leave to care for an expanded list of family members.

On behalf of our respective memberships and our employees, we value our workforce and understand that there are times that this workforce must be absent to care for themselves and their family members. Never was this need clearer than during the COVID-19 pandemic. However, as providers of care to Medicare and Medicaid beneficiaries, we must balance this need against our obligation to ensure that quality of care is provided to our residents and clients on a consistent and uninterrupted basis, often 24 hours, seven days a week. When employees are absent from work, care still must be provided. While the absent employee would be compensated by the established Fund under the bill, the employer would still need to pay for a replacement worker to ensure that care is being provided. Often, this is through overtime of existing staff or contracting with nurse staffing agencies, which is often at a higher cost to the employer. In addition, because Senate Bill 211 extends the right to take leave to additional employees as compared to the federal law, employers may be placed in a position of having a greater number of employees out, causing a higher cost to the employer for replacement staff.

Over the last several years, Maryland has implemented the Maryland's Healthy Working Families Act (paid sick and safe leave) and increased the State’s minimum wage, both of which have had a financial and operating impact on members.[1] However, neither compares to the financial impact that COVID-19 has had on providers. Providers have been placed in the position of purchasing personal protective equipment, paying increase wages to maintain current staff or hire contract staff, making environmental modifications to accommodate the requirement cohort patients, and paying for COVID-19 testing. While nursing homes received assistance from the federal and State governments, it was not enough to cover the cost incurred from these added expenditures. Other providers received little to no assistance from either the federal or State government and, again, the assistance received was inadequate to cover the costs. It is also important to point out that declining census among these providers has also exacerbated the financial pressures that continue to mount.

Therefore, while we believe that Senate Bill 211 is well-intentioned, it is unmanageable given the financial crisis facing many industries and providers. We would request an unfavorable vote.

For more information call:
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[1] The State has provided a 4% increase in Medicaid rates, which is appreciative, but only extends to a portion of the individuals that are cared for by providers.