

Marylanders for Patient Rights

MARYLANDERS FOR PATIENT RIGHTS REQUESTS A FAVORABLE REPORT ON SB863: Medicaid – Personal Care Aides – Reimbursement and Required Wage

Marylanders for Patient Rights is a leading advocacy group for patients in our state. We strongly support SB863 which will 1) increase the Medicaid reimbursement rate by 15%, and 2) require a minimum wage of \$16 for personal care aides, beginning in July 1, 2023. SB863 is vitally important to maintaining a workforce essential to the quality of life of older adults and those with disabilities, as well as the families who rely upon them.

An alarming shortage of personal care aides has been predicted as our population ages. A 2018 study by Phi National, a recognized authority on direct care workforce, estimated that Maryland will need 40% more careworkers in the next ten years, as our population ages. Finding and keeping home health care workers is becoming increasingly difficult for Marylanders and their families, as caregivers opt for better paying employment. Retail giants and fast food restaurants often have more competitive salaries than are available for personal care aides.

It is important to note that SB863 benefits not only workers, but businesses as well. Residential Service Agencies currently suffer from high employee turnover, with the associated costs and disruption. This bill will benefit businesses by helping to stabilize the workforce numbers and by increasing the Medicaid reimbursement rate by 15%, about \$3 per hour.

SB863 is similar to a Maine law passed last year, which increased reimbursement rates while requiring that Medicaid funded workers be paid at least 25% more than minimum wage--\$15.94 per hour. "Wage pass-through" policies like this one have been implemented in states across the country. Maryland should follow their lead.

Please provide a favorable report on SB863, and help to ensure retention of our essential workforce of personal care aides.

Thank you,

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