



576 Johnsville Road  
Sykesville, MD 21784

**TO:** Senate Finance Committee  
**FROM:** LeadingAge Maryland  
**SUBJECT:** Senate Bill 253, Maryland Health Care Commission – User Fee Assessments  
**DATE:** January 26, 2022  
**POSITION:** Unfavorable

LeadingAge Maryland opposes Senate Bill 253, Maryland Health Care Commission – User Fee Assessments.

LeadingAge Maryland is a community of not-for-profit aging services organizations serving residents and clients through continuing care retirement communities, affordable senior housing, assisted living, nursing homes and home and community-based services. Our mission is to expand the world of possibilities for aging in Maryland. We have nearly 80 affordable housing communities as members. We partner with consumers, caregivers, researchers, public agencies, faith communities and others who care about aging in Maryland.

This bill increases the maximum amount, from \$16,000,000 to \$20,000,000, of user fees the Maryland Health Care Commission may assess against hospitals, nursing homes, payors, and health care practitioners.

Skilled nursing and assisted living beds have traditionally been filled almost to capacity. But as COVID-19 ravaged long-term care facilities nationwide, the occupancy rate for those beds plunged from 95 percent to around 70 percent. The median occupancy rate for U.S. nursing homes plummeted during the pandemic, from 85 percent in January 2020 to 68 percent, according to an analysis by CliftonLarsenAllen. While the arrival of vaccines and sharp declines in COVID-19 cases in nursing homes have nudged occupancy back up, it's still only 74 percent as of September 2021.

A return to pre-pandemic occupancy rates is still far off, given the ongoing staffing shortages and the spread of the omicron variant. Nursing homes are projected to lose a combined \$94 billion, based upon a report from the National Center for Assisted Living, which could affect

everything from staffing and activities to food and infection control. Now is not the time to increase nursing home user fees.

For these reasons, LeadingAge Maryland respectfully requests an unfavorable report for Senate Bill 253.

For additional information, please contact Aaron J. Greenfield, 410.446.1992