



Official Testimony  
Health and Government Operations Committee, March 24, 2022  
SB 600

Bill Title - Health Facilities - Residential Service Agencies - Reporting Requirement

Position: **Support**

My name is Claudia Balog, I am the Lead Researcher with 1199SEIU United Healthcare Workers East. We are the largest healthcare workers union in the nation and represent 10,000 healthcare workers in long-term care facilities, hospitals and clinics throughout Maryland and the District of Columbia. **Our union supports SB 600 (the Cross-file of HB 544) as Amended in the Senate, which now addresses concerns raised by industry. We urge the Committee to issue a favorable report.**

Maryland's healthcare industry is amid a staffing crisis that has been exacerbated by the COVID-19 pandemic. Unfortunately, the home care workers who provide care through Maryland's Medicaid Residential Service Agency (RSA) providers are no exception. A 2018 report from PHI, the leading national research authority on the direct care workforce, noted that from 2014 through 2024, Maryland will need nearly 40% more direct service workers to provide the long-term services and supports for our rapidly aging population.<sup>1</sup>

SB 600 would require Residential Service Agencies to report to the Maryland Department of Health, with respect to personal care aides providing *Medicaid-funded care only*, the aides' hourly pay rate, classification as employee or independent contractor, and certain other basic information. This information is critically important because Maryland is facing a dire shortage of home care workers, and we believe low pay is a primary contributor to the problem. **Any Department of Health study on how to improve the structure of rate-setting policies must require Residential Service Agencies to report how much they are paying workers and how they are classifying workers.** Policy makers must know how much workers are being paid and

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<sup>1</sup> See: <https://phinational.org/resource/the-direct-services-workforce-in-ltss-in-md-and-dc/>

whether their jobs offer them any benefits (employees get benefits but independent contractors do not).

**Furthermore, we believe it will be crucial for Maryland to start collecting this information to access enhanced federal dollars for Medicaid Home and Community Based Services.** While there is some question as to the status of the entirety of the proposed Federal “Build Back Better” agenda, there is little doubt that enhanced federal funding for home and community services has wide support. At some point soon, the federal government is expected to pass a reconciliation bill with approximately \$150 billion for states to fund home care – but states will be unable to access those dollars without reporting standards in place that would provide the federal government with up-to-date data on workers’ wages and benefits. We are concerned that without these changes to our RSA reporting requirements, Maryland’s Medicaid consumers – who are already facing one of the longest waitlists for home care services in the country - could be left behind.

This bill would be a powerful tool for decision makers while positioning Maryland to access future federal money as soon as it becomes available.

For these reasons, we urge this Committee to give SB 600 a favorable report.

Sincerely,

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