

Testimony of the Alzheimer's Association Greater Maryland and National Capital Area Chapters  
before the House Health and Government Operations Committee  
**SB 600 - Health Facilities - Residential Service Agencies - Reporting Requirement**  
Position: Favorable

Chair Pendergrass and Vice Chair Pena-Melnyk,

Thank you for the opportunity to submit testimony on Senate Bill 600. The Alzheimer's Association strongly supports this legislation, so that we can understand how to sustain a high-quality workforce for those treating Marylanders with Alzheimer's and other forms of dementia.

We recognize that there may be outstanding concerns from the home care industry; yet we urge the Committee to act on this legislation, which is not onerous, and helps move our state forward in our workforce crisis.

According to the Public Justice Center, Maryland's 30,000 personal care aides are often misclassified as independent contractors, denying them access to the social safety net and reducing job quality when Maryland faces a shortage of these essential workers.

- A 2018 study found that Maryland will need nearly 40 percent more care workers over the next ten years due to our aging population. But poor job quality is causing a shortage. The shortage is worsening during the pandemic, as many care recipients seek to leave nursing facilities.
- Misclassification occurs when employers wrongly call personal care aides "independent contractors" (meaning they are self-employed and have their own businesses) instead of employees.
- Misclassification cuts workers out of social safety net protections like workers' compensation and unemployment insurance that are available to employees but not independent contractors.
- Some employers misclassify their workers because they rely on "word of mouth" in the industry rather than legal advice. Correcting misclassification will improve job quality and attract more personal care aides to the field at a time when our state needs them more than ever.

**The bill, as amended coming out of the Senate, matters:**

(1) this version of the bill includes amendments that improve the bill and address the majority of the concerns raised by industry. It is focused, not onerous, and important;

2) [Legislation passed last year](#) called on MDH to "report on the steps taken to bring the rates for personal care aides in line with the cost of delivering services" is just supposed to be about how to increase rates.

This year—SB 600 takes it one step further—and is about "the cost of delivering services" or the "wages and employment classifications" of workers, which is really what policymakers need to make informed policy decisions about reimbursement rates that can solve the workforce crisis.

Thank you again for the opportunity to submit testimony. We can create commissions to address the workforce crisis, we can discuss solutions, but this is an actual solution. We are grateful for the home care industry, and this data the legislation requires them submit will help us make our state better. We urge a favorable report.