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SB 468 Funding for Wage Increases for Medical Provider Workers
Senate Budget and Taxation
FAVORABLE
March 1, 2023

Good afternoon Chairman Guzzone and members of the Senate Budget and Taxation Committee. I am Tammy Bresnahan, Senior Director of Advocacy for AARP MD. On behalf of our almost 900,000 members, we would like to thank you for the opportunity to speak in support of SB 468 Funding for Wage Increases for Medical Provider Workers. We thank Senator Rosapepe for introducing SB 468.

SB 468 increases from 4% to 10% the percentage reimbursement rate increase that is required to be included in the Governor's proposed budget for fiscal year 2024 for providers of health care services under the Maryland Medical Assistance Program, the Maryland Children's Health Program, and the Community First Choice Program; requiring that 90% of the funding increase be used to fund wage increases for workers; and requiring that nursing homes annually submit a cost report to the Maryland Department of Health.

AARP believes that living wages and salaries should be commensurate with comparable salaries in the state and with the time, skill, and effort required to render high-quality services and supports. Medicaid reimbursement rates should be rebased and updated regularly to consider relevant economic and financial information, including provider costs. State governments should require pass-throughs (i.e., using additional LTSS funding) or other mechanisms to increase compensation for direct-care workers.

In addition, there should be adequate accountability procedures, such as audits, to ensure that reimbursement increases designated for staffing costs are used for that purpose. And lastly State governments should document the shortage of workers and their training needs, and support research to identify effective ways to address these problems and create a sustained high-quality workforce.

For these reasons, we ask the Committee for a favorable report on SB 468. If you have questions or comments, please contact Tammy Bresnahan at tbresnahan@aarp.org or by calling 410-302-8451.

