

# **LeadingAge Maryland - 2023 - SB 884 - Affordable**

Uploaded by: Aaron Greenfield

Position: FAV



576 Johnsville Road  
Sykesville, MD 21784

**TO:** Finance Committee  
**FROM:** LeadingAge Maryland  
**SUBJECT:** Senate Bill 884, Maryland Department of Health – Workgroup to Study the Establishment of an Affordable Assisted Living Enhanced Care Program.  
**DATE:** March 21, 2023  
**POSITION:** **Favorable with amendments**

LeadingAge Maryland supports with the Sponsor’s amendments Senate Bill 884, Maryland Department of Health – Workgroup to Study the Establishment of an Affordable Assisted Living Enhanced Care Program.

LeadingAge Maryland is a community of more than 140 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 partner with consumers, caregivers, researchers, public agencies, faith communities and others who care about aging in Maryland.

With the Sponsor amendments, this bill establishes an innovative Affordable Assisted Living Enhanced Care Pilot Program in the Maryland Department of Health. This program provides affordable assisted living enhanced care residences for enhanced care to eligible adults who are at least 60 years old. Four sites will be selected. Priority is given to jurisdictions within the State with the highest percentage of low-income 60+ individuals, per the Maryland Department of Aging, State Plan on Aging, 2017-2020. To ensure geographic diversity, at least one site should be in an urban area and one site should be located in a rural area of the State.

These pilot sites provide the aging population with new opportunities for an enhanced quality of life. Home to residents whose incomes do not exceed 60 percent of local median earnings, these properties will provide high-quality housing, assisted living care services, dining services to low and moderate-income residents.

The purpose of this program is to address the shortage of high quality, affordable assisted living communities for Maryland’s low-income seniors. These sites will have the potential to

reduce social isolation, improve health outcomes and help older adults remain independent and healthier longer. Receiving necessary supports and care in this type of setting could help some older adults delay or even avoid moving to a nursing home.

LeadingAge Maryland applauds this effort to research new and better ways of providing affordable, appropriate care and living options for older Marylanders. We also acknowledge the financial and operational challenges of offering affordable assisted living services. Other organizations in Maryland have endeavored to operate affordable assisted living, but were challenged by the increasingly burdensome regulations, low Medicaid reimbursement rates, and the increasing costs of providing quality services and care. This bill addresses some of these challenges by identifying mechanisms for increasing reimbursement and SSI to cover costs of room and board and care. Current Medicaid rates and SSI would not be sufficient to support a viable operation. Additionally, this pilot will need to examine Maryland assisted living regulations carefully to ensure that the model that is being proposed will comply with existing requirements.

Another option to achieving this end could be accessing vacant nursing home beds to provide affordable AL within existing communities.

For these reasons, LeadingAge Maryland respectfully requests a favorable report with the Sponsor's amendments for Senate Bill 884.

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

**SB884\_PGDHCD\_FAV.pdf**

Uploaded by: Aspasia Xypolia

Position: FAV

March 21, 2023

Chair Melony Griffith  
Senate Finance Committee  
Miller Senate Office Building  
Annapolis, MD 21401

**Re: SUPPORT with Sponsor Amendments Senate Bill 884 - Maryland Department of Health  
– Workgroup to Study the Establishment of an Affordable Assisted Living Enhanced Care  
Program**

Dear Chair Griffith and Members:

On behalf of Prince George's County Executive Angela Alsobrooks' Administration, I write today in support of legislative efforts to establish an Affordable Assisted Living Enhanced Care (AALEC) Program in the State. We believe the AALEC model is just the kind of bold and innovative thinking needed to respond to the enormous wait list Maryland is currently facing for low-income seniors seeking care through the Home and Community Based Services Waiver and, quite simply, to ensure that no Maryland resident is left behind.

Members of the Administration, including myself, recently had the opportunity to visit an AALEC residence in Washington, DC, just several miles outside of Prince George's County, The Residences at Kenilworth Park, and were blown away by the level of quality and care it provides to low-income seniors in the district. Our low-income Maryland senior residents deserve that same level of quality and care.

By leveraging Medicaid funding to pay for services to attract developers and investors to build high quality affordable assisted living communities, this innovative model could serve to dramatically reduce the State's low-income senior housing shortage and corresponding long-term care challenge. Moreover, it would save Maryland significantly in future years by controlling hospital and emergency room stays and keeping our elderly in less acute settings as long as possible, at the same time providing tremendous mental health benefits by reducing social isolation.

Our vulnerable low-income senior population deserves the same quality of care as their more affluent peers. The AALEC model provides a mechanism to ensure they receive it.

We ask that you support this innovative effort and move favorable on this important piece of legislation.

Aspasia Xypolia

Director

Department of Housing and Community Development

# HFAM Testimony SB 884.pdf

Uploaded by: Joseph DeMattos

Position: FAV



**TESTIMONY BEFORE THE  
SENATE FINANCE COMMITTEE**

March 21, 2023

Senate Bill 884: Maryland Department of Health – Workgroup to Study the Establishment  
of an Affordable Assisted Living Enhanced Care Program

*Written Only Testimony*

**POSITION: FAVORABLE**

On behalf of the members of the Health Facilities Association of Maryland (HFAM), we appreciate the opportunity to express our support for Senate Bill 884. HFAM represents skilled nursing centers and assisted living communities in Maryland, as well as associate businesses that offer products and services to healthcare providers. Our members provide services and employ individuals in nearly every jurisdiction of the state.

Senate Bill 884 requires the Maryland Department of Health to convene a Workgroup to Study the Establishment of an Affordable Assisted Living Enhanced Care Program and requires the Workgroup to examine many factors related to the need for affordable assisted living residences including the number required, locations, services needed, funding sources and eligibility.

As this legislation states, Maryland’s population of residents aged 60 years and older is expected to increase to 1.7 million by 2030. Of all the assisted living beds in Maryland, less than 5% are occupied by older, low-income adults enrolled in the Medicaid Home and Community-Based Options Waiver and more than 22,000 Marylanders are on the waiting list to receive services under this waiver.

Given the current and future demand for assisted living services, together we must evaluate how we can provide greater access to affordable, quality, community-based care for older adults. Assisted living services are so important to the quality of life for aging Marylanders – they provide social engagement and community involvement, as well as health related services.

An Affordable Assisted Living Enhanced Care Program could help create affordable assisted living capacity for low- and moderate-income adults. It is critical we study the feasibility of this innovative initiative to ensure that we allocate resources in the most efficient and cost-effective ways for the health and well-being of aging Marylanders.

**For these reasons, we request a favorable report from the Committee on Senate Bill 884.**

*Submitted by:*

Joseph DeMattos, Jr.

President and CEO


(410) 290-5132

# **NASW Maryland - 2023 SB 884 FAV - Affordable Assis**

Uploaded by: Judith Schagrin

Position: FAV





**Testimony Before the Senate Finance Committee  
SB 884 - Maryland Department of Health – Workgroup to Study the Establishment  
of an Affordable Assisted Living Enhanced Care Program  
March 21, 2023  
Support**

On behalf of the National Association of Social Workers, Maryland Chapter (NASW-MD), we would like to express our support for SB 884 - Maryland Department of Health – Workgroup to Study the Establishment of an Affordable Assisted Living Enhanced Care Program.

As social workers who serve older adults, we know that thousands of vulnerable Marylanders need the support provided by assisted living to maintain their health and wellbeing, yet few can afford the type of facility that provides this care in a safe, dignified, and personalized manner. SB 884 seeks to address this issue by calling for a task force that would examine two critical elements of assisted living in Maryland: Cost and quality.

In Maryland, according to **Genworth’s 2019 Cost of Care Survey**, the average monthly cost of assisted living was \$4,300, with monthly rates ranging from \$3,750 to \$6,263. Older adults with low or moderate incomes cannot afford these fees, many of which exceed their monthly incomes. Instead, they are forced to either move prematurely to a nursing home where they can access Medicaid, languish on a waitlist for years for a Medicaid Waiver Assisted Living slot, or move to a substandard assisted living facility that does not meet their needs. By exploring alternative funding possibilities, the task force would optimally develop a funding model that would make quality care available to people of modest means.

The bill’s focus on enhanced care is equally important. Today many assisted living facilities offer lodging, meals and medication management but fail to develop a personalized plan of care that honors each resident’s needs for meaningful engagement and social connection. The bill’s proactive approach to healthcare and socialization would help residents to stay more vital and alert, with a better quality of life.

Older Marylanders deserve safe, respectful, and personalized residential care. As the number of older Marylanders continues to grow, it is critical that we provide the kind of affordable, high-quality assisted living options that any of us would want for a loved one, or ourselves.

For these reasons, we urge you to vote yes on SB 884.

Respectfully,

Mary Beth DeMartino, LCSW  
Executive Director, NASW-MD

# **Testimony of Claudia Schlosberg 2023 (final) in Se**

Uploaded by: Claudia Schlossberg

Position: FWA

Testimony of Claudia Schlosberg, JD  
Principal, Castle Hill Consulting, LLC  
Before the  
Senate Finance Committee  
March 21, 2023

**SUPPORT with Sponsor Amendments** – Senate Bill 884 – Maryland Department of Health –  
Limited Affordable Assisted Living Enhanced Care Demonstration Program

Good afternoon, Chair Griffith and Members of the Senate Finance Committee. My name is Claudia Schlosberg. I am the founder of Castle Hill Consulting, LLC, and I provide technical assistance and expertise to public and private entities seeking to leverage the Medicaid program to meet the needs of vulnerable populations with a particular focus on the needs of seniors and individuals with disabilities. I have over 35 years of experience in this field, including 4.5 years as State Medicaid Director for the District of Columbia.

Maryland, like virtually every other State in the Nation, is faced with the challenge of meeting the needs of a growing population of seniors. According to the Maryland State Plan on Aging, demographic trends show that by 2040, Maryland's 60+ population is anticipated to increase by 27% from 1.37 million to 1.79 million. Individuals 85 and over are the fastest growing segment of the population. In 2017, more than 91000 older Marylanders lived in poverty as defined by the federal poverty guidelines. If we assume the rate of poverty does not change, this means that in 2040 more than 135,000 seniors in Maryland will be both poor and old. Yet, today, the waiting list for home and community-based services offered through the Medicaid waiver is already more than 26,000.

While there are several measures being taken, including legislation to try to manage the Medicaid waiting list, my experience is that the only way to truly reduce the number of people waiting for services is to expand service capacity.

The Affordable Assisted Living Enhanced Care Demonstration Program that this bill, as amended, would establish is designed to do just that. The bill leverages Medicaid funding that is available to pay for services to attract developers and investors to build Class A assisted living communities for low-income seniors using non-public dollars including private equity and low-income housing tax credit financing. These communities are between 80 to 150 beds units and offer private apartments, 24-hour staffing and enhanced services such as medication and nutrition management and care coordination designed to mitigate breakdowns in care delivery and continuity that can lead to emergency room use and avoidable hospital admissions.

This legislation also ties reimbursement for services to a percent of the average cost of nursing home care to ensure that the program is cost effective.

- In Illinois, which has the largest Medicaid funding Assisted Living program in the country, with over 154 operating sites and 12,755 apartments, the Illinois Affordable Assisted Living Coalition calculates that the State saves from \$104 to \$150 million annually by keeping people out of costly nursing homes.
- In Washington, DC, Medicaid support for Affordable Assisted Living Communities has resulted in significant expansion of housing options for seniors who need assistance. It is also making it possible for DC Medicaid to transition more people from nursing homes to the community and to house seniors who are unstably housed or have histories of chronic homelessness.

Finally, This program is not designed to replace current waiver services but to offer a cost-effective additional option for those in need of care and support.

Thank you for the opportunity to testify. I am happy to answer any questions.

**Testimony of Rev Dr Hathaway SB884[63].pdf**

Uploaded by: Dr. Alvin Hathaway

Position: FWA

**Testimony of Dr. Alvin Hathaway, Sr.  
Beloved Community Services Corporation  
Before the  
Finance Committee  
March 21, 2023**

**SUPPORT With Sponsor Amendments – Senate Bill 884 – Maryland Department of Health –  
Workgroup to Study the Establishment of an Affordable Assisted Living Enhanced Care  
Program**

Good afternoon, Chair Griffith and Members of the Finance Committee. For the record, I am Dr. Alvin Hathaway here in support of Senate Bill 884, with the inclusion of the sponsor Senator Mary Washington's offered amendments. Now retired, I was the 10<sup>th</sup> Pastor in Union Baptist Church's 171-year history and the fourth longest serving Pastor. Among a number of other hats I wear currently, I am the President/CEO of Beloved Community Services Corporation, the owner/developer of the Justice Thurgood Marshall Amenity Center.

Our mission is to build, restore, empower and education people and communities. We value measurable outcomes that improve the quality of life for City residents throughout all of Baltimore.

Baltimore's challenges are well-documented. From sky-high crime rates to a lack of access to quality education, jobs, housing and health care, far too many of our brothers and sisters in Baltimore are in despair and seek any sign that gives them a reason to hope and to dream of a better tomorrow. These challenges certainly aren't unique to Baltimore – they exist throughout other low-income communities throughout the State.

Among the most vulnerable of our residents are our seniors, so many of whom lack not only adequate health services, but basic services to assist them with daily living. We must work together to devise a plan to provide the desperately needed services to cater to this vulnerable population.

As we know, there is a significant waiting list for the Home and Community Based Waiver program – there are currently more than 26,000 seniors on that list.

What we are doing now clearly is not working. We need to start thinking differently and be innovative in our approach to make sure the housing and nutritional needs of our vulnerable seniors are met. The length of the wait list alone demonstrates the current inability of assisted living providers to take in the entirety of that population.

As amended by the sponsor's offered amendments, this bill would take the innovative approach needed to create access for our seniors who are now being left behind. It would create a new Affordable Assisted Living Enhanced Care Demonstration Program that leverages

Medicaid funding to pay for services to attract developers and investors to build assisted living communities for our low and moderate income seniors.

Our neighbor Washington, DC is doing this right now. Maryland can do the same – and we must. We need to think outside the box about new and innovative ways to serve and care for our vulnerable seniors. This bill presents a wonderful opportunity to do just that.

On behalf of Beloved Community Services Corporation and in support of our senior brothers and sisters, I urge you to vote affirmatively on this important piece of legislation.

# **Testimony of Oussama Souadi FIN[65].pdf**

Uploaded by: Oussama Souadi

Position: FWA



Testimony of Oussama Souadi, RA  
Partner, Gragg Cardona Partners, LLC  
Before the  
Senate Finance Committee  
March 21, 2023

**SUPPORT with Sponsor Amendments** – Senate Bill 884 – Maryland Department  
of Health – Limited Affordable Assisted Living Enhanced Care Demonstration  
Program

Good afternoon, Chair Griffith and Members of the Finance Committee. For the record, I am Oussama Souadi, partner at Gragg Cardona Partners, a purpose driven Real Estate and Community Investment organization here in support of Senate Bill 884.

Since 1999, the principals of Gragg Cardona Partners LLC have been at the center of efforts by the District of Columbia and community leaders to revitalize neighborhoods and generate broad based employment and business opportunities, by using public/private partnerships to bring about new investments in housing, commercial space, and community facilities.

For more than two decades Gragg Cardona Partners has been supporting and investing in the positive transformation of neighborhoods in the Greater Washington, D.C. metropolitan area. Our sense of purpose, energy, transparency and collaborative character underlay the creation of more than 1,100 units of rental/for sale housing, including nearly 400 affordable units, plus 71,500 square feet of new neighborhood oriented commercial space.

Many of these residential spaces are the result of partnerships with local governments and or agencies wanting to re-energize neighborhoods, stimulate economic development and empower residents.

Our work has won the support of institutional investors, and national/local lenders. We are comfortable and experienced partnering with local governments, negotiating win-win outcomes with community stakeholders, layering financial resources, and developing high quality places for people to live, work, and play.

We do this with respect for the communities we are a part of. We positively and innovatively engage in shaping and preserving the physical, social, and economic

context in which people live. And doing so by contributing our values and knowledge in a fashion that merits respect and considers community interests.

One of the great examples of this approach is our recent and ongoing successful collaboration with the District of Columbia government, both the legislative and administrative branches. This collaboration has enabled our team to establish a program that is delivering, in the year 2022, 157 apartments, brand new, high quality, affordable assisted living community that will serve the district's most vulnerable population, the elderly who earn the lowest of incomes. This programmatic approach will deliver over 600 additional apartments over the next 3 years. These communities will leverage private equity and debt capital of over \$350 Million, and most importantly, no public funding is needed for construction. These communities are built and financed entirely with private funding through the sale of federal tax-exempt bonds and equity raised from the sale of 4% Low Income Housing Tax Credits.

This innovative approach will not only yield world class and affordable assisted living communities that deliver services to the state's senior population, but the communities will individually contribute economically to their surrounding by providing:

- Construction Jobs and Contracts
- 60-80 Permanent Jobs – Entry Level and Professional Level Positions
- Community Space
- ~\$4 Million in annual service and employment related expenditures

This bill would take the innovative approach needed to create access for our seniors who are now being left behind. It would create a new Affordable Assisted Living Enhanced Care Pilot Program that leverages Medicaid funding to pay for services to attract developers and investors to build assisted living communities for our low and moderate income seniors.

As a resident of Montgomery County for the last eight years, I believe my adoptive state of Maryland can leverage our current approach and ongoing success in its neighboring Washington, DC to help deliver much needed support to the seniors throughout the state, and I believe strongly that it is through true collaboration and partnership between the public and private sectors that

innovations are achieved in the pursuit of serving the public, I urge you to support this important piece of legislation.

Thank you for the opportunity to testify. I am happy to answer any questions.

**todd travis in FIN[94].pdf**

Uploaded by: Todd Travis

Position: FWA



Testimony of Todd Travis  
President and Chief Operating Officer, Foundation Housing  
Before the Senate Finance Committee  
March 21, 2023

**SUPPORT with Sponsor Amendments Senate Bill 884 - Maryland Department of Health –  
Workgroup to Study the Establishment of an Affordable Assisted Living Enhanced Care  
Program**

Dear Chair Griffith and Members:

I write today to offer support for Senate Bill 884 - Maryland Department of Health – Workgroup to Study the Establishment of an Affordable Assisted Living Enhanced Care Program, with the inclusion of the sponsor’s amendments.

Since the inception of our organization in 1990, Foundation Housing has been integrally involved in the recapitalization and preservation of more than 55,000 units of multifamily housing in the United States. Our goal is the creation of communities where residents can live affordably and with dignity. Foundation Housing reinforces its mission through the acquisition, redevelopment, and improved operations of affordable housing for low and moderate income Americans. Through our 509(a)(3) supporting organizations, we have acquired portfolios of properties in 20 states and Washington, DC with numerous projects pending nationwide.

This legislation establishes a new and innovative demonstration program that leverages Medicaid funding in order to attract developers and investors such as us to build assisted living communities for our low-income seniors. By stimulating collaboration and partnership between the public and private sectors, this bill would take an “out of the box” approach to tackling head on-the enormous wait list Maryland is facing currently for those vulnerable seniors seeking care through the Home and Community Based Services Waiver – one that is over 26,000 people at this time and has been that way for the past decade-plus.

Senate Bill 884 bill establishes a demonstration program by which we can offer a cost-effective additional option for those in need of care and support. It is being done in DC currently and there is no reason we cannot do the same in Maryland. It is time to start looking at a different approach to addressing the tremendous need evidenced by the current backlog.

On behalf of Foundation Housing and the individuals we serve, I ask that you support this innovative effort and move favorable on this important piece of legislation.

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Uploaded by: State of Maryland (MD)

Position: UNF



## DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary  
March 21, 2023

The Honorable Melony Griffith  
Chair, Senate Finance Committee  
3 East Miller Senate Office Building  
Annapolis, MD 21401

**RE: SB 884 – Maryland Department of Health – Workgroup to Study the Establishment of an Affordable Assisted Living Enhanced Care Program – Letter of Concern**

Dear Chair Peña-Melnyk and Committee Members:

The Maryland Department of Health (MDH) respectfully submits this letter of concern for Senate Bill (SB) 884 – MDH – Workgroup to Study the Establishment of an Affordable Assisted Living Enhanced Care Program. MDH is required to staff the workgroup and submit findings and recommendations by November 1, 2023.

MDH notes that nearly all services defined as being “enhanced care” under the bill are already included within the scope of coverage for assisted living facilities as defined in COMAR 10.07.14.<sup>1</sup> The exceptions are: “Health and wellness programs to help residents manage chronic illness, reduce the risk of falling, and live a healthy lifestyle” and “use of electronic medical records to improve care monitoring, improve quality oversight, and support the tracking and reporting of quality indicators.” As such, coverage for these services does not merit creation of a new class of or separate reimbursement rate for assisted living facilities offering “enhanced care.”

MDH is further concerned that establishing a new class of assisted living facilities subject to separate reimbursement and eligibility criteria for residents will negatively impact Medicaid participants on the existing home- and community-based services waitlists. Pursuant to the requirements of SB 636 (Chapter 464 of the Acts of 2022), MDH’s Office of Long Term Services and Supports within Maryland Medicaid, in conjunction with the Developmental Disabilities Administration, the Behavioral Health Administration and the Maryland State Department of Education, submitted plans to reduce the waitlist or registries for the waiver programs by 50% over a five year period.<sup>2</sup> Updated estimates reflecting the cost to implement

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1 See COMAR 10.07.14.17(4)(c), 10.07.14.15.C (e-g), and 10.07.14.26. A -B addressing person centered individualized care planning; COMAR 10.07.14.28.C, 10.07.14.28.F, 10.07.14.13.A (1-2), 10.07.14.13.14.E-F, and 10.07.14.20 addressing ii. regular, proactive monitoring of health status to promote early detection and resolution of medical issues; COMAR 10.07.14.2(27)(a), 10.07.14.28.F, and 10.07.14.15.C(e-g) addressing care management to ensure timely referral and access to medical treatment and health-related services; COMAR 10.07.14.29 A-P and see also COMAR 10.27.11 and 10.07.14.17(5) addressing medication management to improve adherence and reduce medication errors; COMAR 10.07.14.26, 10.07.14.28.F, and 10.07.14.15.C (e-g) addressing assessment and referral to therapy and restorative nursing programs; COMAR 10.07.14.05.G addressing health and wellness programs to help residents manage chronic illness, reduce the risk of falling, and live a healthy lifestyle; COMAR 10.07.14.29(G), 10.07.14.48.C, and 10.07.14.17.A(4) addressing activities programs to reduce social isolation and help seniors maintain an active lifestyle; and COMAR 10.07.14.28.A addressing dietary services including nutritious meals and snacks.

2 SB 636 (Chapter 464 of the Acts of 2022) - Waiver Programs - Waitlist and Registry Reduction (End the Wait Act) report, <https://health.maryland.gov/mmcp/Documents/JCRs/2023/SB%20636%20of%20the%20Acts%20of%202022>

these activities and reduce the waitlists by the end of Fiscal Year (FY) 2029 have been submitted to the Maryland Department of Budget Management. Establishing a new and separate waitlist process will undermine the critical priority of working the existing waitlist while creating inequitable results for the population already on an existing waitlist. The new program will in effect bypass the existing waitlists, negatively impacting people who are already on the registry and bypassing them in favor of new applicants.

Lastly, to convene the workgroup and complete the reporting requirements by November 1, 2023, MDH will need to hire at least a 0.5 full-time equivalent (FTE) health policy analyst to assist with the duties of this Workgroup.

If you need more information, please contact Megan Peters, Acting Director of Governmental Affairs, at [Megan.Peters@maryland.gov](mailto:Megan.Peters@maryland.gov) or (410) 260-3190.

Sincerely,



Laura Herrera Scott, M.D., M.P.H.  
Secretary