



# MARYLAND STATE & D.C. AFL-CIO

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**SB 604 - Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides –  
Reimbursement and Wages  
Senate Finance Committee  
March 7, 2023**

**SUPPORT**

**Donna S. Edwards**

**President**

**Maryland State and DC AFL-CIO**

Madame Chair and members of the Committee, thank you for the opportunity to submit testimony in support of SB 604. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 300,000 union members, I offer the following comments.

Our healthcare system is in crisis. Healthcare providers suffer from staffing shortages that prevent them from providing the level of care that our state deserves. Between 2015 and 2045, Maryland's population of residents over 85 years old is expected to grow by 179%. We will need 40% more personal care workers than we have now.<sup>1</sup> The pandemic pushed our care workforce to the brink and many left the industry to find employment in higher paying, less demanding jobs. The time to act is now. SB 604 gives personal care workers a raise by increasing Maryland's medicaid reimbursement rate. The bill sets a minimum wage for state funded personal care aides of at least \$16 per hour. After July 1st, 2024, personal care aides must be paid at least 64% of the state's medicaid reimbursement rate, ensuring that these workers are able to benefit from future increases to the reimbursement rate. This approach follows the lead of other states like Maine, who passed a bill in 2021 that tied increased reimbursement rates for personal care services to a wage floor of \$17.25 per hour. Wage pass throughs for healthcare workers using Medicaid reimbursement programs are increasingly common, with over 21 states having some system in place.<sup>2</sup>

This is also an issue of social equity. Maryland's direct care workforce is 87% people of color and 90% women. Despite taking care of our most vulnerable, personal care workers are underpaid and overworked. We can help to close the gender pay gap and advance racial equity by passing this bill.

We urge the committee to issue a favorable report for SB 604.

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<sup>1</sup> PHI. "The Direct Services Workforce in LTSS in MD and DC." September 2018.

<sup>2</sup> McKnight Long Term Care News. "Nearly half of states now using Medicaid to boost direct-care pay." November 4, 2022.