Marylanders for Patient Rights

MARYLANDERS FOR PATIENT RIGHTS REQUESTS A <u>FAVORABLE</u> REPORT ON SB604: Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides – Reimbursement and Wages

Marylanders for Patient Rights is a leading advocacy group for patients in our state. We strongly support SB604 which will 1) increase the Medicaid reimbursement rate to provider agencies to a \$25 minimum, and 2) require a minimum wage of \$16 for personal care aides, beginning on July 1, 2024. The changes proposed in SB604 are necessary to maintaining a workforce essential to the quality of life of older adults and those with disabilities, as well as the families who rely upon them.

An alarming shortage of personal care aides has been predicted as our population ages. A study by Phi National, a recognized authority on direct care workforce, estimated that Maryland will need 40% more home care workers in the next ten years. Finding and keeping home health care workers is becoming increasingly difficult for Marylanders and their families, as caregivers opt for better paying employment and benefits at retail giants and restaurants. Personal care aides are mostly black women whose low wages can trap them in poverty.

It is important to note that SB604 benefits not only workers, but businesses as well. Residential Service Agencies currently suffer from high employee turnover, with the associated costs and disruption. This bill will benefit businesses by helping to stabilize the workforce number, increasing the Medicaid reimbursement rate, and attracting more employees by offering more competitive salaries.

SB604 is similar to a Maine law passed in 2021, and "wage pass-through" policies like this one are being implemented in states across the country. Maryland should follow their lead. Importantly, SB604 outlines methods for communication and enforcement to ensure that personal care aides receive the wages that are due.

Please provide <u>a favorable report on SB604</u>, and help to ensure retention of our essential workforce of personal care aides.

Thank you,

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