



576 Johnsville Road
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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