



Testimony in support of HB 489

Senate Finance Committee – March 29th, 2023

Residential Service Agencies – Reimbursement – Personal Assistance Services

To Chair Griffith and members of the Senate Finance Committee:

My name is Ricarra Jones, and I am the Political Director of 1199SEIU United Healthcare Workers East. We are the largest healthcare workers union in the nation – representing 10,000 healthcare workers in long-term care facilities and hospitals across Maryland. We are proud members of the Caring Across Maryland coalition supporting HB 489 Home Care Worker Misclassification. In order to protect our most vulnerable direct care workers, HB 489 ensures that the Department of Health only reimburses residential service agencies that are classifying their workers as employees. We urge the Committee to issue a favorable report.

1199 SEIU represents workers within long-term care facilities. Many of our members interact with home care aides who help some residents in the facilities. Home care workers are an important part of the patient care team. Given the high demand of home care workers, addressing deeply entrenched retention issues is imperative. Worker misclassification strips workers from the full entitlement of just compensation and benefits. Patient quality of care is negatively impacted by high turnover when home care workers are misclassified.

The widespread misclassification of these workers hurts everyone:

- It hurts workers by worsening job quality, cutting them out of the social safety net (making it harder for them to get benefits like workers' compensation when they're injured) and imposing on them a higher "self-employment" tax burden when they should be getting a tax refund.
- It hurts consumers by shrinking the size of the workforce they depend on for their independence and increasing worker turnover, which –given the intimate nature of the work –can be traumatizing.
- It hurts law-abiding RSAs that face unfair competition from RSAs that save money by shirking their obligations as workers' employers.
- It hurts the State of Maryland by depriving the unemployment insurance trust fund (among other things) of critical revenue that Maryland and its workers depend on.

1199 SEIU believes that care work is essential work. Our public dollars should be going to law-abiding home care agencies not those who undercut essential staff. This bill will help to strengthen our long-term care workforce. For those reasons and more, we urge a favorable report on HB 489.

In unity,

Ricarra Jones

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