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

Good afternoon Chair Griffith and members of the Senate Finance Committee. I am Tammy Bresnahan, Senior Director of Advocacy AARP Maryland is a proud member of the Caring Across Maryland coalition supporting a package of bills to bolster quality of care in long term care settings. On behalf of our almost 900,000 members, we would like to thank you for the opportunity to speak in support of HB 318 Maryland Medical Assistance Program-Provider Agencies and Personal Care Aids-Reimbursement. We thank Senator Benson for sponsoring this important piece of legislation.

AARP is a nonpartisan, nonprofit, nationwide organization that helps people aged 50 and above, strengthens communities and fights for the issues that matter most to families, such as health care, employment and income security, retirement planning, affordable utilities, and protection from financial abuse.

AARP Maryland supports SB 604 which would increase funding for Medicaid-funded home care programs while also ensuring that home care workers get a fairer share of that money. This bill requires the Maryland Department of Health (MDH), by July 1, 2024, to increase the hourly reimbursement rate for personal assistance services provided under Medicaid home and community-based services (HCBS) program to a minimum of \$25 per hour beginning July 1, 2024. A provider agency must also provide written notice to each PCA about the wage increase. By September 1, 2024, and annually thereafter, a provider agency must submit a specified cost report to MDH. MDH must develop a process for a PCA to report a provider agency's failure to comply with the wage increase. MDH may take appropriate enforcement action against a provider agency for specified actions.

AARP believes that living wages and salaries should be commensurate with comparable salaries in the state and with the time, skill, and effort required to render high-quality services and supports. Medicaid reimbursement rates should be rebased and updated regularly to consider relevant economic and financial information, including provider costs. State governments should require pass-throughs (i.e., using additional long term services and supports funding) or other mechanisms to increase compensation for direct-care workers.

In addition, there should be adequate accountability procedures, such as audits, to ensure that reimbursement increases designated for staffing costs are used for that purpose. And lastly State governments should document the shortage of workers and their training needs, and support

research to identify effective ways to address these problems and create a sustained high-quality workforce.

For these reasons, we ask the Committee for a favorable report on SB 604. If you have questions or comments, please contact Tammy Bresnahan at tbresnahan@arp.org or by calling 410-302-8451.