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**HB 725 Funding for Wage Increases for Medical Provider Workers**  
**House Health and Government Operations Committee**  
**FAVORABLE**  
**March 7, 2023**

Good afternoon Chair Peña-Melnyk and members of the House Health and Government Operations Committee. I am Tammy Bresnahan, Senior Director of Advocacy for AARP MD. On behalf of our almost 900,000 members, we would like to thank you for the opportunity to speak in support of HB 725 Funding for Wage Increases for Medical Provider Workers. We thank Delegate Henson for introducing HB 725.

HB 725 increases the rate increase for specified providers in the Medicaid and Maryland Children's Health Program (MCHP) required to be included in the Governor's proposed fiscal 2024 budget from 4% to 10%. Ninety percent of the funding increase must be used to fund wage increases for specified workers, and nursing home providers who receive the rate increase must document the disbursement of the funds.

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 LTSS 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 HB 725. If you have questions or comments, please contact Tammy Bresnahan at [tbresnahan@aarp.org](mailto:tbresnahan@aarp.org) or by calling 410-302-8451.

