



Maryland-National Capital Homecare Association

House Bill 489: *Residential Service Agencies – Reimbursement – Personal Assistance Services*
House Health and Government Operations Committee
February 23, 2023

Position: Support

On behalf of the Maryland-National Capital Homecare Association (MNCHA), whose members include Medicare-certified home health agencies, private duty companies and durable medical equipment suppliers across the State, we **support** House Bill 489. House Bill 489 states that the State’s Medicaid program may only reimburse a residential service agency (RSA) for personal care services if the aide is classified as an employee rather than a 1099 independent contractor.

Requiring that workers within the Medicaid program be classified as employees is a critical step towards ensuring compliance with prevailing labor law standards and definitions of worker control. MNCHA believes that, for those RSAs that participate in the Medicaid program, House Bill 489 will bring worker standardization across the home care industry and will align the industry with worker classification standards and the Maryland Department of Health’s 2022 Guidance Document. By ensuring parity among all workers providing care through RSAs in the Medicaid program, the State can drive provider accountability and ensure that future reimbursement rate and worker wage increases are being utilized as intended. RSAs can then help preserve and protect the direct care workforce by supporting the rights of these workers to be paid fair wages, receive training and professional career pathing, and access employment benefits, such as paid leave and medical insurance. In addition, as the Centers for Medicare & Medicaid Services looks to implement quality assurance measures geared towards impacting social determinants of health among Medicaid beneficiaries, Maryland’s RSAs will need to implement robust training and supervisory methods to prepare their direct care workforce to deliver on these expanded quality initiatives, a need easier met by an “employed” workforce.

For these reasons, we urge a favorable vote on House Bill 489.

For More Information:

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