



MARYLAND STATE & D.C. AFL-CIO

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

SUPPORT

**Donna S. Edwards
President**

Maryland State and DC AFL-CIO

Madame Chair and members of the Committee, thank you for the opportunity to submit testimony in support of HB 725. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 300,000 union members, I offer the following comments.

Our healthcare system is in crisis. Nursing homes suffer from staff shortages that prevent them from providing the level of care that our state deserves. The pandemic pushed our care workforce to the brink and many left the industry to find employment in higher paying, less demanding jobs. Despite taking care of our most vulnerable, direct care workers are underpaid and overworked.

HB 725 follows the lead of 21 other states by implementing a wage pass through for direct care workers using Maryland's Medical Assistance Program.¹ By increasing the Governor's proposed budget allocation for direct care services from 4% to 10% and requiring that money to be used for direct care worker wage increases, it helps attract workers back to the industry and alleviates the staffing shortage. In order to prevent this money from being used to increase company profits or compensate executives, 90% of the rate increase funding must be used to increase the salaries of healthcare workers, nursing home staff that provide direct care, and nursing home support staff like housekeeping, laundry, nutritional, and activity planners. This ensures that funding goes to the lowest paid workers. This is also an issue of racial equity. Maryland's direct care workforce is 87% people of color.²

We urge the committee to issue a favorable report for HB 725.

¹ McKnight Long Term Care News. "Nearly half of states now using Medicaid to boost direct-care pay." November 4, 2022.

² PHI. "The Direct Services Workforce in LTSS in MD and DC." September 2018.