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Health and Government Operations
Committee
Subcommittees

Health Occupations and Long-Term Care

Public Health and
Minority Health Disparities

THE MARYLAND HOUSE OF DELEGATES
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**HB318 Public Health – Maryland Medical Assistance Program –
Provider Agencies and Personal Care Aides - Reimbursement and Wages**

Madame Chair, Madame Vice Chair, and members of the Health and Government Operations Committee. Thank you for the opportunity to speak to you about House Bill 318.

Older adults and individuals with disabilities often require specialized care that may be provided either on-site at a long-term nursing home, or at a residential home through the help of a personal care aide. Post-pandemic, Marylanders have increasingly shown preference for home care over other forms of long-term care assistance, and as a result there has been an increased demand for personal care aides.¹ Despite this increase in need for home care workers, the number of personal care aides available to work in the State has not grown to meet this demand. Residential Service Agencies (RSAs) have experienced very high turnover rates, and personal care aides find themselves leaving the field altogether in search of more competitive wages, contributing to a shortage of home care workers. House Bill 318 provides a solution to this issue by increasing compensation for personal care aides, incentivizing them to stay in the workforce.

House Bill 318 provides greater compensation for personal care aides in two ways: raising Medicaid reimbursement rates, and increasing provider agency wages. Medicaid reimbursement rates will raise from \$23 to \$25, increasing income and retention among aides compensated through Medicaid. For home care workers who are not reimbursed under Medicaid, House Bill 318 increases the minimum wage required of provider agencies, to the greater of \$16 per hour or 64% of payments RSAs receive. Both of these changes not only provide front-line home healthcare workers a deserved raise, but also a much-needed incentive for personal care aides to remain in the workforce. Competitive income will also draw more people to home care work, increasing the amount of aides available in the workforce, and closing the gap on demand for the profession.

We have an obligation to meet the needs of Marylanders receiving home care by providing them a full-fledged and robust workforce capable of helping them. This bill takes steps to accomplish that. I respectfully request a favorable report on House Bill 318.

¹ <https://www.phinational.org/resource/the-direct-services-workforce-in-ltss-in-md-and-dc/>