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SB 328 Funding for Wages and Benefits for Nursing Home Workers (Nursing Home Staffing Crisis Funding Act of 2024)

Senate Budget and Taxation

FAVORABLE

January 24, 2024

Good afternoon, Chairman Guzzone and members of the Senate Budget and Taxation Committee. I am Tammy Bresnahan, Senior Director of Advocacy for AARP MD. On behalf of our more than 850,000 members, we would like to thank you for the opportunity to speak in support of SB 328 Funding for Wages and Benefits for Nursing Home Workers (Nursing Home Staffing Crisis Funding Act of 2024). We thank Senator Rosapepe for introducing SB 328.

This bill requires that the Governor's proposed budget for each of fiscal years 2026, 2027, and 2028 include an 8% reimbursement rate increase for providers under the Maryland Medical Assistance Program, the Maryland Children's Health Program, and the Community First Choice program. It also requires nursing homes to annually submit a cost report to the Maryland Department of Health beginning in September 2026.

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 SB 328. If you have questions or comments, please contact Tammy Bresnahan at tbresnahan@aarp.org or by calling 410-302-8451.

