

NDWA SB 371 Written Testimony (Data and Rate Study

Uploaded by: Allison Yunda

Position: FAV

NATIONAL DOMESTIC WORKERS ALLIANCE

Comments in Support of SB371

Homecare Workers Employment Act of 2024

Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides – Reimbursement and Wage Reports

February 5, 2024

Submitted via:

<https://mgaleg.maryland.gov/mgawebsite/MyMGATracking/WitnessSignup>

The National Domestic Workers Alliance (“NDWA”) submits this testimony in support of SB371 the **Homecare Workers Employment Act of 2024**.

NDWA is the leading voice for the estimated 2.2 million domestic workers who work as direct care workers, nannies, and house cleaners in private homes providing essential care and supportive services to children, aging adults, and family members with disabilities every day. Founded in 2007, NDWA works to raise wages and strengthen industry standards to ensure that domestic and direct care workers achieve economic security and protection, respect, and dignity in the workplace. NDWA reaches and engages over 400,000 domestic workers on a regular basis through our 68 affiliate organizations in 50 cities and 19 states, our state and local chapters in the DMV (Washington D.C., Virginia & Maryland), North Carolina, Georgia, New York, Houston (TX), San Jose (CA), and Philadelphia (PA) through our digital platforms. While the National Domestic Workers Alliance is a national organization, our DMV chapter is a locally operated, membership-based organization covering the geographical area of Washington DC, Maryland, and Virginia and is staffed by several local organizers.

Care work is the foundation upon which strong economies and societies are built. Care workers- the mostly Black and women of color who do the tremendous labor of caring for our aging and disabled loved ones, who educate and nurture our children, and who care for our homes- are the essential workforce that holds us all together. From birth to end-of-life, we all share the need for care and we must develop an infrastructure that meets the needs of those seeking care AND those providing care. The work of care workers has historically been devalued by society due to longstanding racism and sexism that contributes to the failure to recognize

and value caregiving as the essential work it is in our society. It is the goal of the National Domestic Workers Alliance to make visible the critical work performed primarily by women of color and raise working standards for this workforce.

As the baby-boom population ages and the elderly population grows, the demand for the services of health aides and personal care aides will continue to increase.¹ Over 127,000 residents of Maryland need help with daily activities such as bathing or dressing.² Fifteen percent of the Maryland population over the age of 65 have reported difficulties with activities of daily living (ADLs) or instrumental activities of daily living (IADLs) – and the need only continues to grow.³ In Maryland, the number of older adults was predicted to grow by 75 percent in the 30-year period from 2015 to 2045 – from 837,500 to nearly 1.5 million.⁴ During the same period, the number of adults aged 85 and over will increase by nearly 200 percent. With only 5 percent expected growth among working-age adults, the ratio of working-age adults to those aged 85 and above in the state will shrink from 32:1 in 2015 to just 12:1 by 2045. With anticipated separations and growth, research anticipates 37,000 job openings in the state for personal care aides, by 2028.

Although the number of direct care workers more than doubled from 2.2 million in 2000 to 5.1 million in 2022, the supply of direct care workers will fall short of the demand associated with 8.9 million projected job openings from 2022-2032⁵. Across the country, there is limited data on workforce volume, stability, and compensation. Without adequate data Maryland faces serious challenges to

¹ U.S. Bureau of Labor Statistics (BLS), Division of Occupational Employment Statistics (OES). 2018. May 2007 to May 2017 National Industry-Specific Occupational Employment and Wage Estimates, available at: <https://www.bls.gov/oes/current/oesrci.htm>.

² Paul, Rafal, & Houtenville. 2020. Annual Disability Statistics Compendium: 2020 (Table 1.8). University of New Hampshire, Institute on Disability, available at: https://disabilitycompendium.org/sites/default/files/user-uploads/Events/2021_release_year/Final%20Accessibility%20Compendium%202020%20PDF_2.1.2020reduced.pdf

³ PHI, *The Direct Services Workforce In Long-Term Services And Supports in Maryland and The District Of Columbia*, September 21, 2018, available at: <http://phinational.org/resource/the-direct-services-workforce-in-ltss-in-md-and-dc/>

⁴Id.

⁵ Bipartisan Policy Center, "Addressing the Direct Care Workforce Shortage: A Bipartisan Call to Action;"

December 2023, available at

<https://bipartisanpolicy.org/event/addressing-the-direct-care-workforce-shortage-a-bipartisan-call-to-action>

understand, mitigate, and prevent direct care workforce challenges.⁶ By requiring that home care agencies that receive Medicaid reimbursement report to the Maryland Department of Labor the rates they pay home care workers, Maryland can take action to ensure that workers receive competitive wages, helping attract, and retain the workforce Maryland needs.

The Center for Medicare and Medicaid Services (CMS) has also recognized that the shortage of direct care workers jeopardizes access to services, and acknowledges that the sufficiency of reimbursement rates as well as wages is necessary to ensure access to care. In its Notice for Proposed Rulemaking (“NPRM”) for “Ensuring Access to Medicaid,” CMS puts forth methods for better analysis of sufficiency of payment rates through transparency, data collection and a dedicated body (the interested parties advisory group) that includes direct care workers to review and develop more informed rate-setting recommendations.

Given that Maryland last did a Medicaid reimbursement rate study for home- and community-based services in 2018, this bill is needed more than ever. The Homecare Worker Employment Act of 2024 would allow Maryland to jumpstart improvement of their own processes by requiring rate studies every two years, with reports to the Senate Finance Committee and the House Health and Government Operations Committee. The rate study will involve interviews with key stakeholders, including providers, and will also examine the cost of ensuring that workers are paid at least 50% more than minimum wage (i.e., \$22.50/hour). These provisions are very similar to those recently passed in New Mexico, as well as the policies of many other states such as Arizona, Maine, Texas, and Indiana⁷.

⁶ The Business Monthly, “Absence of data complicates Maryland’s direct care crisis,” Sept 5, 2023, available at:

<https://bizmonthly.com/news/business/health/2023/09/absence-of-The%20Business%20Monthlyd-ata-complicates-marylands-direct-care-crisis/>

⁷ New Mexico Advocates Score a Major Win for Direct Support Professionals - PHI, available at:

<https://www.phinational.org/new-mexico-advocates-score-a-major-win-for-direct-support-professionals/>; An Arizona Direct Care Worker Survey Is Driving Innovation - PHI, available at:

<https://www.phinational.org/an-arizona-direct-care-worker-survey-is-driving-innovation/>; Low pay for direct care workers is costing Maine millions, available at:

<https://www.mainepublic.org/health/2023-04-27/low-pay-for-direct-care-workers-is-costing-main-millions-according-to-report>; Cost and Accountability Report Information | Provider Finance Department, available at:

<https://pfd.hhs.texas.gov/cost-and-accountability-report-information>,

House Bill 1460 - Professional and occupational licensing, available at

<https://iga.in.gov/legislative/2023/bills/house/1460/details>.

Despite the increasing demand and essential nature of home care, the caregiving work of personal care aides is still not valued- workers receive extremely low pay, few benefits and enjoy limited protections. Improving the working conditions for home care workers is critical to address staffing shortages and meet the growing demand for this essential work in Maryland. Data will enable policymakers to make sound decisions to stabilize the workforce in order to ensure both access and better quality of care. As our population ages and the demand for home and community-based services sharply rises, without data-driven policy interventions, Marylanders will be left to fend for themselves and their loved ones.

For these reasons, the National Domestic Workers Alliance (NDWA) fully supports SB371 the Homecare Workers Employment Act of 2024.

Sincerely,

Allison Yunda
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Oral Testimony SB371 Data Collection_Rate Study.pd

Uploaded by: Allison Yunda

Position: FAV

NATIONAL DOMESTIC WORKERS ALLIANCE

Comments in Support of SB371 Homecare Workers Employment Act of 2024 Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides – Reimbursement and Wage Reports

February 5, 2024

Submitted via:

<https://mgaleg.maryland.gov/mgawebsite/MyMGATracking/WitnessSignup>

The National Domestic Workers Alliance (“NDWA”) submits this testimony in support of SB 371 the Homecare Workers Employment Act of 2024.

My name is Allison Yunda and I am the Maryland Lead Organizer for the National Domestic Workers Alliance, otherwise known as NDWA. NDWA is the leading voice for the estimated 2.2 million domestic workers who work as direct care workers, nannies, and house cleaners providing essential care and supportive services to children, aging adults, and family members with disabilities. While we are a national organization, our DMV chapter is a locally operated, membership-based organization covering the area of Washington DC, Maryland, and Virginia and is staffed by several local organizers.

Over 127,000 residents of Maryland need help with daily activities such as bathing or dressing.¹ In Maryland, the number of older adults was predicted to grow by 75 percent in the 30-year period from 2015 to 2045.² With anticipated separations and growth, research anticipates 37,000 job openings in the state for personal care aides, by 2028.

Although the number of direct care workers more than doubled from 2.2 million in 2000 to 5.1 million in 2022, the supply of direct care workers will fall short of the demand associated with 8.9 million projected job openings from 2022-2032. By requiring that home care agencies that receive Medicaid reimbursement report to the Maryland Department of Labor the rates they pay home care workers, Maryland can take action to ensure that workers receive competitive wages, helping attract and retain the workforce Maryland needs.

¹ Paul, Rafal, & Houtenville. 2020. Annual Disability Statistics Compendium: 2020 (Table 1.8). University of New Hampshire, Institute on Disability, available at: https://disabilitycompendium.org/sites/default/files/user-uploads/Events/2021_release_year/Final%20Accessibility%20Compendium%202020%20PDF_2.1.2020reduced.pdf

² Id.

Given that Maryland last did a Medicaid reimbursement rate study for home- and community-based services in 2018, this bill is needed more than ever. This bill would allow Maryland to jumpstart improvement of their own processes by requiring rate studies every two years, with reports to the Senate Finance Committee and the House Health and Government Operations Committee. The rate study will involve interviews with key stakeholders and will also examine the cost of paying workers at least 50% more than minimum wage.

Despite the increasing demand and essential nature of home care, caregiving work is still not valued- workers receive extremely low pay, few benefits and enjoy limited protections. Improving working conditions for home care workers is critical to address staffing shortages and meet the growing demand for this essential work in Maryland. For these reasons, the National Domestic Workers Alliance fully supports SB371.

Sincerely,

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SB371_Marylanders for Patient Rights_fav.pdf

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Marylanders for Patient Rights

MARYLANDERS FOR PATIENT RIGHTS REQUESTS A FAVORABLE REPORT ON SB371: Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides – Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024)

Marylanders for Patient Rights is a leading advocacy group for patients in our state. We strongly support SB371 which will allow the State to collect important data that will enable effective policymaking. Maryland has a shortage of fundamental data required to optimize planning for our future workforce needs in the homecare industry.

We know that an alarming shortage of personal care aides has been predicted as our population ages. A study by Phi National, a recognized authority on direct care workforce, estimated that Maryland will need 40% more home care workers in the next ten years. Finding and keeping homecare workers is becoming increasingly difficult for Marylanders and their families, as care workers opt for better paying employment and benefits at retail giants and restaurants.

SB371 will help to solve the data gap problem by requiring that homecare agencies receiving Medicaid reimbursements report the average and the range of pay rates for homecare workers to the Maryland Dept of Labor on an annual basis. Moreover, SB371 would require rate studies every two years, with reports to Senate Finance and House HGO Committees. The rate studies would involve interviews with key stakeholders and examine the cost of ensuring that workers are paid at least 50% more than minimum wage. These reports are essential to ensure that reimbursement rates are adequate for the competitive wages needed to maintain this vital workforce. These provisions are similar to policies in five other states.

Please provide a favorable report on SB371, and help to protect Maryland patients by ensuring data-driven policy for our vital homecare workforce.

Thank you,

Anna C. Palmisano

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www.DisabilityRightsMD.org

FINANCE COMMITTEE

SB 0371: MARYLAND MEDICAL ASSISTANCE PROGRAM – PROVIDER AGENCIES AND PERSONAL CARE AIDES – REIMBURSEMENT AND WAGE REPORTS (HOMECARE WORKERS LIVABLE WAGE ACT OF 2024)

FEBRUARY 6, 2024

POSITION: SUPPORT

Thank you, Madam Chair Beidle, Sponsor Senator Lam, and Committee Members, for this opportunity to provide testimony on Senate Bill 0371: Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides – Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024). Disability Rights Maryland (DRM – formerly Maryland Disability Law Center) is the federally designated Protection and Advocacy agency in Maryland, mandated to advance the civil rights of people with disabilities. DRM works to increase opportunities for Marylanders with disabilities to be integrated in their communities, live independently and access high-quality, affordable health care.

We are swiftly approaching the 25th anniversary of the Supreme Court’s decision in *Olmstead v. L.C.*, in which the Court ruled that the Americans with Disabilities Act (ADA) prohibits the unnecessary segregation of people with disabilities. In states across our nation, the Justice Department has enforced this civil rights mandate, creating real choice for people with disabilities in where they receive services, including where they live, where they work, and where they go to school. But all too often, people with disabilities cannot secure the critical home and community-based services (HCBS) that they need not just to thrive in the community, but also to survive.¹ Consequently, many people with disabilities find that institutionalization is their only real option, due to inadequate workforce infrastructure.

Demand for health care workers is extremely high, but job quality is often low. This conundrum results in poor outcomes for people that require care. SB 0371 would require residential service agencies (RSAs) – the term for home care agencies in Maryland – to report to the Maryland Department of Health, with respect to personal care aides (PCAs) providing Medicaid-funded care, their average, lowest, and highest hourly pay rates. Wage information was last collected in 2018, and so much has changed since the pre-pandemic era. The state does not know how much PCAs are being paid with Medicaid funds. This information is critically important for policymakers to make informed decisions. Such data will ensure that RSAs are provided with sufficient reimbursement rates and workers are paid enough to keep turnover low while attracting more workers to the field. SB 0371 will give MDH the information necessary to improve home and community-based services for participants and the workers providing the care.

¹ Office of Public Affairs of the U.S. Department of Justice, *Justice Department Celebrates Anniversary of the Supreme Court’s Olmstead Decision*, JUSTICE.GOV (Jun. 22, 2023), <https://www.justice.gov/opa/blog/justice-department-celebrates-anniversary-supreme-courts-olmstead-decision>.

DRM's clients have reported significant PCA shortages during the public health emergency, which resulted in one client being stuck in his wheelchair for just short of 48 hours. While staff shortages and call-outs are not new problems, they have become worse over the last five years as many PCAs leave the field for other work. The lack of equity and labor protections for PCAs reflects a system that does not value this workforce or the people PCAs serve. People with disabilities deserve able to receive the medically necessary care to which they are entitled. That is done, in part, by better understanding the pay rates earned by state workers.

PCA staffing shortages are placing Marylanders with disabilities in danger of unnecessary institutionalization and significant gaps in care. Collecting the information under SB 0371 will have the impact of improving Maryland's HCBS system which furthers the goals of and compliance with the *Olmstead* decision and community integration mandate of the Americans with Disabilities Act.²

For these reasons, DRM strongly supports Senate Bill 0371 and urges a favorable report.

Respectfully,

Audrey Sellers
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² *Olmstead v. L.C.*, 527 U.S. 581 (1999); 42 U.S.C. § 12101.

Children's National Testimony - SB 371 - Catherine

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Position: FAV



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**Testimony of Catherine Posada, MD, MPH
Pediatrician
Children's National Hospital
before
Senate Finance Committee
IN SUPPORT OF
SB 371: Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides –
Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024)**

February 6, 2024

Chairwoman Beidle, Vice Chair Klausmeier and members of the committee, thank you for the opportunity to provide written testimony in favor of Senate Bill 371. My name is Catherine Posada, MD, MPH, and I am a Pediatrician at Children's National Hospital. Children's National has been serving the nation's children since 1870. Nearly 60% of our patients are residents of Maryland, and we maintain a network of community-based pediatric practices, surgery centers and regional outpatient centers in Maryland.

In my role at Children's National, I am a pediatrician with the Complex Care Program who provides primary care to infants, children, and adolescents with medical complexities and aid them in accessing comprehensive medical care, receive care coordination, and assist with establishing the home care nursing that this vulnerable patient population deserve. Most of the patients we serve qualify for and need private-duty nursing. This ensures that there is always an alert and capable care giver in the home that can monitor their various medical needs, ensure their safety and optimize their health status. Patients may require assistance with monitoring vital signs, administering feeds, monitoring respiratory equipment, administering medications and assisting with other activities of daily living. Some families run "mini-ICU's" from their home.

Unfortunately, the pay rate for private duty nurses has not kept pace with current market rates for nurses in other healthcare settings, making it nearly impossible for home care agencies to staff these medically fragile patients. This leaves medically complex patients and their overburdened parents, as well as their hospitals, in challenging circumstances. In many cases it is unsafe to discharge a medically fragile patient without nursing, which results in the inability to discharge the patient from the hospital. Thus, resulting in extended hospital stays which reduce access for critically ill patients and increased financial burden to families and payors like Maryland Medicaid.

Private duty nursing services are necessary to help our patients remain in their homes, decrease serious adverse or fatal events, minimize hospital admissions and emergency room utilization. Vast improvements in reimbursement and wages are essential to attract more nurses that can provide quality care to medically complex patients.

We strongly encourage and support efforts that would assist with closing the wage gap and providing benefits to personal care aids and private duty nurses. I applaud Senator Lam for introducing this important legislation, which will have a direct impact on the medically complex patients and families that we serve in Maryland and request a favorable report on Senate Bill 371. Thank you for the opportunity to submit testimony. I am happy to respond to any questions you may have.

MaCCRA 2024 Testimony - Support - Senate Bill 371

Uploaded by: Bruce Hartung

Position: FAV



Maryland Continuing Care Residents Association
The Voice of Continuing Care Residents

SUBJECT: Senate Bill 371 - Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides - Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024)

COMMITTEE: Senate Finance Committee, The Honorable Pam Beidle, Chair

DATE: Tuesday, February 6, 2024

POSITION: FAVORABLE

The **Maryland Continuing Care Residents Association (MaCCRA)** is a not-for-profit organization representing the residents in continuing care retirement communities (CCRCs). Maryland has over 18,000 older adults living in CCRCs. The principal mission of MaCCRA is to protect and enhance the rights and financial security of current and future residents while maintaining the viability of the providers whose interests are frequently the same as their residents. MaCCRA supports efforts to enhance transparency, accountability, financial security, and to create and preserve existing protections in law and regulation for current and future CCRC residents statewide.

On behalf of Maryland Continuing Care Residents, we support Senate Bill 371. The Homecare Workers Livable Wage Act of 2024 does two things. First, for personal care aides who work for home care agencies (called “residential service agencies”—RSAs—by Maryland’s Health Code) under certain Medicaid programs, RSAs will report to the state workers’ average, highest, and lowest pay rates. Second, the Maryland Department of Health must update its analysis of Medicaid reimbursement rates every two years (the last such analysis was done in 2018) and must factor in the need to improve workers’ wages and benefits.

SB371 reflects the findings of the just-released [final report of Maryland’s Commission to Study the Health Care Workforce Crisis](#) and would advance several of the report’s recommendations. This comprehensive report is clear and identifies the challenges that need to be addressed.

Maryland lacks data on home care workers’ pay rates—information policymakers need to solve the home care workforce crisis. There is a homecare crisis that just living in a CCRC does not solve. Some of our residents need help in maintaining their independent living status. Others need additional health care assistance in Assisted Living, Memory Care and Skilled Nursing communities. Data on pay rates will help us understand the necessity of adequate compensation for the demanding role a Homecare Worker plays in the maintenance of effective and engaged, as far as possible, living.

Maryland needs regular, up-to-date Medicaid reimbursement rate studies to ensure that our state’s Medicaid reimbursement rates allow for direct care workers to be paid competitive wages.

MaCCRA supports SB371 and urges a FAVORABLE report.

Should you have any questions, contact Bruce Hartung, MaCCRA President, brucehartung@sbcglobal.net.

SB371_Maryland Center on Economic Policy_FAV copy.

Uploaded by: Christopher Meyer

Position: FAV

Reliable Data Are Key to Strengthening Maryland's Care Infrastructure

Position Statement in Support of Senate Bill 371

Given before the Senate Finance Committee

Home care workers are a vital part of the social infrastructure that keeps Maryland going. These workers provide essential services to aging Marylanders and Marylanders with disabilities. They provide care in the community, rather than in residential facilities, which brings many documented benefits. But today the industry faces a severe and growing labor shortage. While the causes of this shortage are not mysterious – most importantly, low wages undermine efforts to attract and retain a sufficient workforce – policymakers lack the data needed to solve this problem. Senate Bill 371 would increase the state's knowledge base on home care workers' wages and agencies' cost structures, enabling policymakers to set appropriate reimbursement rates, raise wages, and build a stronger workforce. Moreover, Senate Bill 371 mirrors legislation passed unanimously by the House of Delegates in 2023.

For these reasons, the Maryland Center on Economic Policy supports Senate Bill 371.

Maryland already has a serious shortage of home care workers.ⁱ Without a significant influx of new workers into the industry, this shortage will only grow in coming years as our state's population continues to age. Maryland's 65+ population grew by 18% from 2015 to 2021, while the 20–64 population increased by only 0.2%. By 2030, our 65+ population is projected to grow by another 29% as the 20–64 population slightly declines.ⁱⁱ At this rate, we will be increasingly unable to meet the need for home care as time goes on.

Policymakers cannot make good decisions without high-quality information. Our current home care system does not produce the kind of workforce data needed to manage Marylanders' growing home care needs effectively.ⁱⁱⁱ We have made limited progress on this front recently, as lawmakers in 2022 enacted legislation requiring home care agencies to report to the state the number of workers they classify as employees and the number they classify (in most cases inappropriately) as independent contractors. However, policymakers still lack data on the most important variable for strengthening this workforce – wages.

Senate Bill 371 would build policymakers' knowledge base by:

- Requiring agencies to report to the state their average, lowest, and highest hourly wages paid to home care workers, as well as other data the Maryland Department of Health (MDH) needs to fulfill its responsibilities under the bill
- Requiring MDH to assess the actual cost of care and the sufficiency of current reimbursement rates
- Requiring MDH to develop a plan to close any gap between reimbursement rates and actual costs
- Requiring MDH to report to the General Assembly an estimate of the reimbursement rate necessary to raise home care wages to 150% of the state minimum wage

At the same time, Senate Bill 371 minimizes burdens on home care agencies, requiring only a small amount of high-level, aggregate data.

Passing Senate Bill 371 would reaffirm the House of Delegates' commitment to improving the home care data landscape, expressed in the chamber's unanimous passage of House Bill 318 of 2023.

For these reasons, the Maryland Center on Economic Policy respectfully requests that the Senate Finance Committee make a favorable report on Senate Bill 371.

Equity Impact Analysis: Senate Bill 371

Bill summary

Senate Bill 371 would require home care agencies to report certain aggregate wage data to the Maryland Department of Health (MDH), require MDH to assess the sufficiency of reimbursement rates, and require MDH to recommend payment rates sufficient to raise home care workers' wages to 150% of the state minimum wage.

Background

Maryland currently faces a shortage of long-term care workers.^{iv} As the state's population continues to age in coming years, the needs for these services will grow significantly. Absent a substantial increase in the supply of long-term care workers, the shortage will become more severe.

The House of Delegates unanimously passed House Bill 318 of 2023, which (as amended) would have created substantially the same reporting system as Senate Bill 371.

Equity Implications

The data required under Senate Bill 371 would strengthen the state's ability to meet Marylanders' growing home care needs. This is especially important for Marylanders with disabilities, who are a major population served by home care workers.

To the extent that policymakers use these data to improve wages, Senate Bill 371 will also benefit home care workers, a group that disproportionately includes workers who face structural barriers in our economy:

- 84% of home care workers in Maryland are women.
- 60% of home care workers in Maryland are Black, and 74% are workers of color.
- 61% of home care workers in Maryland are women of color.
- 42% of home care workers in Maryland were born outside the United States.
- Home health and personal care aides in Maryland typically took home only \$15.26 per hour in 2022.^v For a misclassified worker, this is equivalent to \$14.00 paid to an employee.

Impact

Senate Bill 371 would likely **improve racial, gender, disability, and economic equity** in Maryland.

ⁱ "The Direct Services Workforce in Long-Term Services and Supports in Maryland and the District of Columbia," PHI, 2018, <https://phinational.org/wp-content/uploads/2018/09/DSWorkers-Maryland-2018-PHI.pdf>

ⁱⁱ MDCEP analysis of U.S. Census Bureau Population Estimates and Maryland Department of Planning population projections.

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- iii Christopher Meyer, “Budgeting for Opportunity Case Study: A Racial Equity Analysis of Medicaid-Funded Home- and Community-Based Services,” Maryland Center on Economic Policy, 2023, <https://www.mdeconomy.org/budgeting-for-opportunity-case-study/>
- iv “The Direct Services Workforce,” 2018.
- v Bureau of Labor Statistics, May 2022 Occupational Employment and Wage Statistics for Maryland

PJC - SB371 - FAV - with attachment.pdf

Uploaded by: David Rodwin

Position: FAV

SB371: Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides - Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024)

Hearing of the Senate Finance Committee, Feb. 6, 2024

Position: FAVORABLE

The Public Justice Center (PJC) is a not-for-profit civil rights and anti-poverty legal services organization which seeks to advance social justice, economic and racial equity, and fundamental human rights in Maryland. Our Workplace Justice Project works to expand and enforce the right of low-wage workers to receive an honest day's pay for an honest day's work. **The PJC supports SB371, which would help get critical home care job-quality data to policymakers and help ensure that Maryland Medicaid's home care reimbursement rates meet the needs of Maryland's current economy—not its 2018 economy.**

Summary: The Homecare Workers Livable Wage Act of 2024¹ does two things. First, for personal care aides who work for home care agencies (called "residential service agencies"—RSAs—by Maryland's Health Code) under certain Medicaid programs, RSAs will report to the state workers' average, highest, and lowest pay rates. Second, the Maryland Department of Health must update its analysis of Medicaid reimbursement rates every two years (the last such analysis was done in 2018) and must factor in the need to improve workers wages and benefits.

SB371 reflects the findings of the just-released final report of Maryland's *Commission to Study the Health Care Workforce Crisis*² and would advance several of the report's recommendations.

- This report is a result of visionary 2022 legislation championed by Senate Finance Chair Beidle and then-Delegate, now-Senator Kelly, SB440/HB625, which passed unanimously. Relevant findings and recommendations from the report are attached to this testimony, with key parts highlighted.
- The report begins its "findings" section by noting that "more complete and accurate data is required to fully examine the workforce shortages and to develop." For home care specifically, while the report recognizes that home care jobs are "usually low paying," the report also finds that "those who provide in-home care play a significant role in the healthcare system but data about them is limited."
- By getting basic wage data on the Medicaid-funded home care workforce to the State of Maryland and requiring regular analysis of the costs of providing Medicaid-funded home care, SB371 would advance two of the report's four recommendations: (1) helping build the data necessary for a "state healthcare workforce data center" and (2) supporting a "Task Force to study the home healthcare workforce shortages in Maryland."

¹ The House cross-file is HB189.

²

[https://health.maryland.gov/docs/SB%20440%20Ch.%20708%20\(2022\)%20%E2%80%93%202023%20Final%20Report%20%E2%80%93%20Commission%20to%20Study%20the%20Heal.pdf](https://health.maryland.gov/docs/SB%20440%20Ch.%20708%20(2022)%20%E2%80%93%202023%20Final%20Report%20%E2%80%93%20Commission%20to%20Study%20the%20Heal.pdf) at 14. The report was released on Dec. 31, 2023.

Maryland lacks data on home care workers' pay rates—information policymakers need to solve the home care workforce crisis.

- Marylanders are aging—but our state does not have nearly enough home care aides to meet the growing demand. Consumers and employers report home care workforce shortages and high turnover. But although most of the workforce is funded by Medicaid, there is no hard data on workers' pay rates. As a result, policymakers lack the data they need to improve home care jobs and solve the workforce crisis.
- This bill fixes the problem by requiring that home care agencies that receive Medicaid reimbursement³ report to the Maryland Department of Labor the average, highest, and lowest pay rates they pay home care workers. With this information, Maryland can take action to ensure that workers receive competitive wages, helping attract and retain the workforce Maryland needs.

Maryland needs regular, up-to-date Medicaid reimbursement rate studies to ensure that our state's Medicaid reimbursement rates allow for direct care workers to be paid competitive wages.

- Maryland last did a Medicaid reimbursement rate study for home- and community-based services in 2018. Needless to say, Maryland has changed a lot since then. As a result, both policymakers and the Maryland Department of Health lack the information they need to ensure that reimbursement rates are adequate to allow providers to pay competitive wages.
- The Homecare Workers Livable Wage Act would solve this problem by requiring rate studies every two years, with reports to the Senate Finance Committee and the House Health and Government Operations Committee. The rate study will involve interviews with key stakeholders, including providers, and will also examine the cost of ensuring that workers are paid at least 50% more than minimum wage (i.e., \$22.50/hour). These provisions are very similar to those recently passed in New Mexico,⁴ but many other states—including Arizona,⁵ Maine,⁶ Texas,⁷ and Indiana⁸—have similar policies.

For these reasons, the PJC **SUPPORTS SB371** and urges a **FAVORABLE** report. Should you have any questions, please call David Rodwin at 410-625-9409 ext. 249.

³ The bill does not apply to programs administered under the Developmental Disabilities Administration.

⁴ <https://www.phinational.org/new-mexico-advocates-score-a-major-win-for-direct-support-professionals/>

⁵ <https://www.phinational.org/an-arizona-direct-care-worker-survey-is-driving-innovation/>

⁶ <https://www.mainepublic.org/health/2023-04-27/low-pay-for-direct-care-workers-is-costing-maine-millions-according-to-report>

⁷ <https://pfd.hhs.texas.gov/cost-and-accountability-report-information>

⁸ <https://iga.in.gov/legislative/2023/bills/house/1460/details>



**COMMISSION TO STUDY THE
HEALTH CARE WORKFORCE
CRISIS**

**FINAL REPORT
2022/2023**

PREPARED FOR THE MARYLAND GENERAL ASSEMBLY
IN ACCORDANCE WITH SB440/CH0708 (2022)

10/14/22 11:00AM-12:00PM	The Maryland Hospital Association and a representative from <i>GlobalData</i> gave a presentation about the Maryland Nursing Workforce Study that included projections for Maryland’s nursing workforce through 2035 and subsequent recommendations. Workgroups met briefly.
10/28/22 11:00AM-12:00PM	A representative from the <i>Maryland Regional Direct Services Collaborative</i> gave a presentation about their forthcoming report regarding the direct service workforce in Baltimore City. Workgroup leads provided an update about the status of data collection and review.
<i>The Data Advisory Group did not meet in the month of November due to multiple state holidays. Members were encouraged to use the month to collect and submit data to workgroup leads in preparation for a presentation in December.</i>	
12/09/22 11:00AM-12:00PM	Workgroup leads gave presentations about health care workforce shortages in their respective setting(s).
01/20/23 11:00AM-12:15PM	Dr. Yetty Shobo, Director of Virginia Healthcare Workforce Data Center, gave a presentation about the creation of the Data Center and provided an overview of their data dashboard, including how they have been used to inform policy recommendations.
02/17/23 1:30PM-2:30PM	Gene Ransom, CEO of <i>MedChi</i> , gave the presentation “Payment Issues in Maryland for Physicians” that included data gleaned from MedChi’s 2022 salary survey.
04/21/23 1:30PM-2:30PM	Dr. Ann Kellogg and Michele Calderon of the MLDS delivered the results of a data request submitted by Workforce Data Advisory Group to examine the labor market outcomes of students who graduated with an associate degree or certificate in healthcare-related majors from Maryland Community Colleges.
05/25/23 2:30PM-3:30PM	Sara Seitz, Director of the State Office of Rural Health, gave the presentation “ <i>Preparing for a Maryland Healthcare Workforce Data Clearinghouse.</i> ”
07/21/23 1:30PM-2:30PM	Dr. Ann Kellogg provided an update to the MLDS data request made by the Workforce Data Advisory Group. Dr. Kellogg’s presentation focused on wage visibility for the same group of students who graduated with an associate degree or certificate from Maryland Community Colleges at three, five-, and ten-years post-graduation.

The Data Advisory Group concluded regular meetings in July 2023. The Data Advisory Group Chair continued to communicate with members and stakeholders via email throughout the duration of the Commission’s operation.

C. FINDINGS

It is challenging to find current, publicly available data on the healthcare workforce shortages in Maryland. Data sources are often siloed and do not account for the interconnectedness of the allied healthcare system. When asked to provide data that detailed workforce shortages, many Commission

members responded that they could only provide data that, when taken collectively, could infer shortages for a particular occupation. Despite this, the Workforce Data Advisory Group was able to make some progress in determining the extent of healthcare workforce shortages across the state. **More complete and accurate data is required to fully examine the workforce shortages and to develop potential solutions.**

1. Maryland is faring worse in growing its healthcare workforce compared to other states.

Maryland experienced slower growth in healthcare employment compared to other states in the region. According to the Bureau of Labor Statistics Quarterly Census of Employment and Wages, 2013-2022, Maryland's healthcare workforce grew at a rate of 4.6%. This represents a full percentage point lower than all other mid-Atlantic states combined (excluding Maryland) which grew at 5.8%. Maryland's healthcare workforce grew significantly slower than the national average of 11.5%.

Maryland is not restoring its pre-pandemic healthcare workforce at the same rate as other states. While most states in the mid-Atlantic region have not fully returned to their 2019 level of employment in the healthcare sector, Maryland is tied with Pennsylvania as having the second-worst recovery rate post-pandemic at 4.3%. This is also lower compared to the rest of the region and the nation, with a recovery rate of -2.2 % and -0.1%, respectively. Virginia is the only state in the mid-Atlantic that has reached, and exceeded, its 2019 level of employment, at 14% growth.

Prior to the pandemic, many critical healthcare occupations were already experiencing, or projected to experience, a workforce shortage. A 2017 report by the U.S. Department of Health and Human Services showed a gap existed between the supply of nurses and projected need, citing Maryland among the top six states facing a deficit in Licensed Practical Nurses (LPNs) by 2030.¹ A nursing workforce study conducted by the Maryland Hospital Association similarly found that Registered Nurses (RNs) and LPNs will see a 38%, 50%, and 57% demand in growth in home health, nursing homes, and residential care, respectively, by 2035.²

Behavioral healthcare providers are also seeing distinct shortages. A 2019 survey of the behavioral health workforce conducted by Maryland's Behavioral Health Administration found that respondents experienced turnover in occupations such as Social Workers, Case/Care Managers, and Rehabilitation Specialists at rates of 25-50%.³

2. Health care workforce shortages are most pronounced in rural parts of the state.

A recent report produced by the Maryland Loan Assistance Repayment Program (MLARP) for Nurses and Nursing Support staff found that as of September 30, 2023, there are a total of 76 primary care Health Professional Shortage Areas (HPSAs) in the state, inclusive of 1,748,349 Maryland residents.

¹ <https://bhw.hrsa.gov/sites/default/files/bureau-health-workforce/data-research/nchwa-hrsa-nursing-report.pdf>

² <https://www.mhaonline.org/docs/default-source/default-document-library/maryland-nurse-workforce-projections-globaldata.pdf>

³ [https://health.maryland.gov/bha/Documents/Workforce%20Survey%20Summary%20distribution9.4.20%20\(2\)%20\(2\).pdf](https://health.maryland.gov/bha/Documents/Workforce%20Survey%20Summary%20distribution9.4.20%20(2)%20(2).pdf)

All	933	\$7,320	711	\$13,077	304	\$12,727	101	\$14,371
Other								
Two or More	1,181	\$6,880	957	\$13,841	611	\$13,791	282	\$16,345
White	20,879	\$6,954	19,354	\$12,674	15,097	\$13,293	7,880	\$15,613

Analysis Completed by the Maryland Longitudinal Data System Center, June 2023

4. Uncredentialed healthcare professionals and those who provide in-home care play a significant role in the healthcare system but data about them is limited.

A 2018 PHI National of New York study estimated that there are over 71,000 direct care workers in Maryland.⁵ Direct care occupations such as personal care attendants, home health aides, and direct support professionals provide key services that enable many Marylanders to stay in their homes rather than relying on costly care from a hospital or nursing facility. Direct support professionals assist individuals with activities of daily living (ADLs) but do not necessarily provide medical or clinical interventions. ADLs include things such as eating, bathing, and mobility and directly impact a person’s ability to live independently and care for themselves.⁶

1199 SEIU United Healthcare Workforces East reports that there are nearly 20,000 direct care workers providing Medicaid-funded personal care throughout the state, roughly 10% of whom provide personal care through two or more Residential Services Agencies. These positions are usually low paying, with workers on the Eastern shore earning \$14,600/year and those in the capital region earning nearly \$28,000/year. These workers often care for the state’s most vulnerable and medically complex residents.

Population projections for Maryland estimate that the number of residents aged 65 or older will increase 33% from 2020 to 2030. Coupled with the slow recovery of Maryland’s healthcare workforce, the need for healthcare for this population, including increased demand for opportunities to age in place, will put a strain on the current workforce.

D. RECOMMENDATIONS

The scope and breadth of the issues related to healthcare workforce shortages presented challenges to the creation of recommendations that would be singularly impactful across all healthcare occupations, settings, and populations. It is the intention of the Commission to provide information gathered in the course of its work to help inform sound policy decisions. Specific recommendations submitted by stakeholder organizations regarding certain occupations, settings, and populations can be found in Attachment B.

1. There is a need for a state healthcare workforce data center.

⁵ <https://www.phinational.org/wp-content/uploads/2018/09/DSWorkforces-Maryland-2018-PHI.pdf>

⁶ Edemekong PF, Bomgaars DL, Sukumaran S, et al. Activities of Daily Living. [Updated 2023 Jun 26]. In: StatPearls [Internet]. Treasure Island (FL): StatPearls Publishing; 2023 Jan-. Available from: <https://www.ncbi.nlm.nih.gov/books/NBK470404/>

Healthcare workforce data should be collected, analyzed, and managed within a state data center on a consistent basis. Healthcare workforce trends are fluid, a point that was reinforced by the COVID-19 pandemic. One-time collection efforts only provide a point-in-time snapshot of the current landscape and predicted need. While workforce data is collected by federal and state agencies and stakeholder organizations, there are gaps in the data which make it difficult to determine the supply and demand for any given healthcare occupation. For example, data collected by the health occupations boards does not consistently include demographic information, work settings, or work locations. Data collected by stakeholder organizations is limited to their constituency or a particular healthcare setting. Similarly, data provided by programs such as Medicaid or Medicare are specific to certain populations. A healthcare workforce data center is needed to accurately identify current and projected supply and demand for healthcare workforces.

The Primary Care Coalition of Montgomery County, Inc. (“PCC”), via funding from the MDH’s State Office of Rural Health, developed a national landscape analysis to inform the creation of a Maryland Statewide Healthcare Workforce Data Clearinghouse that offers recommendations for models, approaches to implementation, and considerations for sustainability. PCC found that several states have developed data clearinghouses that collect, analyze, and disseminate data regarding supply and demand trends, geographic distribution of health care occupations, and demographic information about healthcare professionals. These data clearinghouses vary by size and sophistication but serve as a single source for much of the same information the Commission was charged with analyzing (see Figure 5). Based on the work of PCC, it appears that the Commonwealth of Virginia’s model represents the “gold standard” in comparison to other states surveyed. In Virginia, the Health Care Workforce Data Center sits within the Department of Health Professions as part of the Health and Human Services Secretariat.⁷

A healthcare workforce data collection center that is supported by the Maryland Department of Health, Maryland Department of Labor, Maryland Longitudinal Data Systems Center, the health occupations boards, and other key state and federal agencies would provide consistent collection, analysis, and dissemination of data. The regular assessment of workforce supply and demand across Maryland’s healthcare professions through a workforce data center would improve data collection and measurement and ensure Maryland has a diverse healthcare workforce.

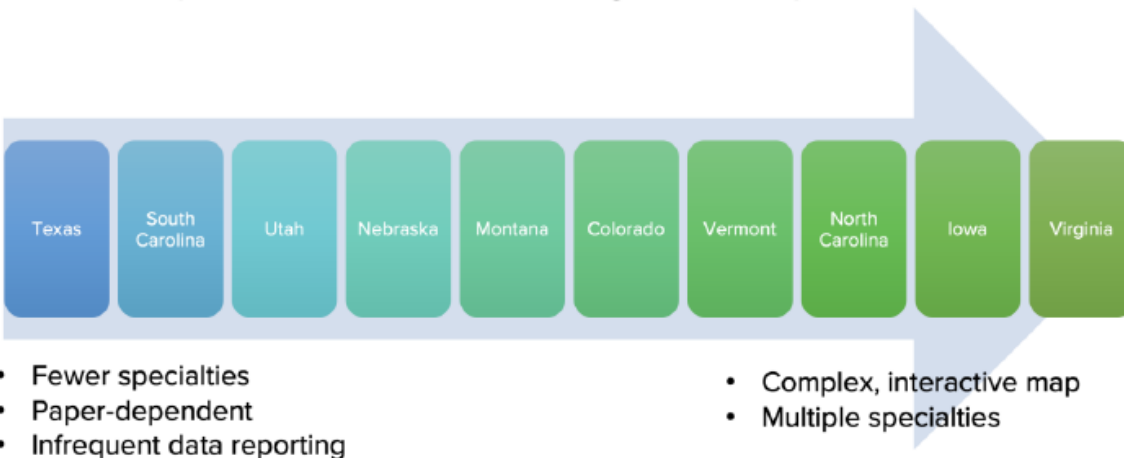
⁷ <https://www.dhp.virginia.gov/PublicResources/HealthcareWorkforceDataCenter/>

Figure 5- Out of State Data Clearinghouses, Spectrum of Complexities and Features

Primary Care and Rural Health Workgroup

Out of State Data Clearinghouses

Evaluated Spectrum of State Data Clearinghouse Complexities and Features



Source: Primary Care and Rural Health Workgroup, December 2022

2. Develop a definition of “shortage” specific to Maryland for each identified critical health care occupation.

Maryland largely relies on federally defined provider ratios or facility-level vacancy rates to determine health care occupation shortages. For instance, HRSA states that for primary medical care, the population to provider ratio must be at least 3,500 to 1 (3,000 to 1 if there are unusually high needs in the community). HRSA’s formula for designating HPSAs is limited by the exclusion of advanced care practitioners and specialists and may not adequately portray the need across Maryland. Similarly, vacancy rate determinations are not necessarily standard and do not produce a shortage formula that can be utilized across occupations, settings, patient populations, and specialty.

3. Efforts to improve healthcare workforce shortages should focus on retention strategies in equal measure to creating entryways into the healthcare workforce.

Data provided by MLDS shows that healthcare professionals with an associate or bachelor’s degree have noticeably decreased wage visibility at five- and ten-years post-graduation. This suggests that although creating accessible and attractive pathways into healthcare should continue, it is equally important to ensure that there are incentives for workforces to stay in the field.

Individuals who continue to work in healthcare for ten or more years also tend to leave hospital settings in favor of outpatient care centers or physicians’ offices. Hospitals often serve as the teaching ground for many new healthcare professionals. However, the loss of veteran staff, whether to attrition from the field or to private healthcare settings, means that Maryland’s new healthcare professionals are not getting the full benefit of their experience and knowledge. Stakeholder organizations that have participated in the Commission have identified several recommendations for retaining workers such as fully funding loan repayment programs for critical healthcare occupations and ensuring that insurance payments to practitioners are competitive.

4. Create a Task Force to study home healthcare workforce shortages in Maryland.

The home healthcare workforce plays a vital role in the care of Maryland’s aging and disabled citizens. Accurate data on this workforce may not be available for several reasons. First, the care is provided outside of traditional settings. Second, many home healthcare workers are not credentialed and, therefore, do not appear in state licensing data. Third, the occupational titles and credentials required for professionals providing care in the home can vary between employers or based on the population they serve (e.g., older adults, individuals with disabilities). For example, an Indeed.com search for “home care” in Maryland yielded results for “caregiver”, “personal care attendant”, and “direct care professional.” Some of the “home care” positions required that the provider be certified as a CNA/GNA, but many did not. The same search also included postings for RNs and LPNs, which are needed in a supervisory capacity for home nursing provided by CNA/GNAs. A task force dedicated to the study of the home health care workforce may help assess the needs of Marylanders who wish to receive quality healthcare in their homes.

IV. EDUCATION AND PATHWAYS ADVISORY GROUP

A. BACKGROUND

The Education and Pathways Advisory Group held its initial meeting in August 2022. In keeping with the charge to the Advisory Group, issues related to education and pathways of the health care workforce were explored. The foci of the Advisory Group included: examining short-term solutions to address immediate needs related to shortages, examining changes needed to enhance incentives for individuals to enter and stay in the health care workforce in the State, examining methods for improving transition of active duty to retired military to the civilian health care workforce, and examining barriers that confront foreign-born health professionals and identifying career and licensure pathways for refugees and immigrants with education, training, and experience from other nations. In addition, in collaboration with the Workforce Data Advisory Group, examining ways to

SB 371 - Maryland Medical Assistance Program - Pro

Uploaded by: Donna Edwards

Position: FAV



MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO

7 School Street • Annapolis, Maryland 21401-2096

Balto. (410) 269-1940 • Fax (410) 280-2956

President

Donna S. Edwards

Secretary-Treasurer

Gerald W. Jackson

SB 371 - Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides - Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024)

Senate Finance Committee

February 5, 2024

SUPPORT

Donna S. Edwards

President

Maryland State and DC AFL-CIO

Madame Chair and members of the Committee, thank you for the opportunity to provide testimony in support of SB 371. My name is Donna S. Edwards, and I am the President of the Maryland State and DC AFL-CIO. On behalf of the 300,000 union members in the state of Maryland, I offer the following comments.

Maryland's labor movement supports this bill as it provides a clear path towards addressing how underpaid our state's personal care aides are. In order to fully understand a problem in an industry as complicated as personal care, we need accurate information about the state of the industry. SB 371 asks for an essential list of documentation from personal care providers to better understand wage rates and the actual costs of services. The bill requires the Maryland Department of Labor to use this information to calculate adjustments to the Medicaid reimbursement rate necessary to fund personal care aide wages to at least 150% of the state's minimum wage.

This bill enacts many of the recommendations of the state's Commission to Study the Health Care Workforce Crisis report. The report found that, "Population projections for Maryland estimate that the number of residents 65 and older will increase 33% from 2020 to 2030. Coupled with the slow recovery of Maryland's healthcare workforce, the need for healthcare for this population, including increased demand for opportunities to age in place on the current workforce." Based on their findings, the Commission recommended far stronger healthcare workforce data collection and the creation of a Task Force to Study Home Health Care Workforce Shortages.

We urge a favorable report for SB 371.

HFAM Testimony SB 371.pdf

Uploaded by: Joseph DeMattos

Position: FAV



**TESTIMONY BEFORE THE
SENATE FINANCE COMMITTEE**

February 6, 2024

Senate Bill 371: Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides -
Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024)
Written Testimony Only

POSITION: FAVORABLE

On behalf of the members of the Health Facilities Association of Maryland (HFAM), we appreciate the opportunity to express our support for Senate Bill 371. HFAM represents skilled nursing centers and assisted living communities in Maryland, as well as associate businesses that offer products and services to healthcare providers. Our members provide services and employ individuals in nearly every jurisdiction of the state.

Senate Bill 371 requires provider agencies to submit certain reports to the Maryland Department of Labor regarding wage rates for personal care aides on or before September 1 each year, beginning in 2025; and requires, by September 30, 2024, and every 2 years thereafter, the Maryland Department of Health to submit reports to the Senate Finance Committee and the House Health and Government Operations Committee regarding reimbursement rates for provider agencies and any recommended regulatory or legislative changes.

We believe that for consistent quality care across all healthcare settings, reporting must be consistent. The Maryland Department of Health (MDH) currently collects Medicaid cost report data from Medicaid providers and that data is publicly available. Nursing home staffing data, including nursing hours and labor costs, is publicly available via the Centers for Medicare and Medicaid Services (CMS) Payroll-Based Journal (PBJ) data. We must also have data regarding wage rates for personal care aides to better inform potential public policy changes.

This legislation reflects the findings of the recently released final report of Maryland's Commission to Study the Health Care Workforce Crisis. The report recommends that healthcare data be collected, analyzed, and managed on a consistent basis to ensure Maryland has a diverse healthcare workforce.

Often, healthcare public policy is focused on hospitals or nursing homes. Of course, these settings are important but the truth is that most people in Maryland and across the nation receive care at home. Therefore, it is essential that we also collect and analyze data for workers in home care settings – especially because much of this workforce is funded by non-negotiable Medicaid rates set by the government.

Labor, revenue, and profits are critical to the success of any enterprise. In healthcare, long-term success also correlates to quality care. In all of this, data is essential. **For these reasons, we request a favorable report from the Committee on Senate Bill 371.**

Submitted by:
Joseph DeMattos, Jr.
President and CEO
(410) 290-5132

NASW Maryland - 2024 SB 371 FAV - Home Care Worker

Uploaded by: Karessa Proctor

Position: FAV

**Testimony Before the Senate Finance Committee
February 6, 2024**

**Senate Bill 371 - Maryland Medical Assistance Program - Provider Agencies and
Personal Care Aides - Reimbursement and Wage Reports**

Support

On behalf of the National Association of Social Workers, Maryland Chapter (NASW-MD) Committee on Aging, we would like to express our support for Senate Bill 371 - Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides - Reimbursement and Wages.

As social workers, we are in favor of this bill because it calls for the state to study the wages of personal care aides employed by Maryland Medicaid provider agencies. The bill requires provider agencies to submit a report on the wages that home care workers earn to the Maryland Department of Labor. The Maryland Department of Health (MDH) will analyze those rates in comparison to the funding that the provider agencies received from the state. Finally, MDH will determine the amount of any wage adjustment required to bring wages of personal care aides to at least 150% of the state minimum wage.

These steps are important because the median wage for home care workers in Maryland is currently \$15 per hour. Because the pay is low and the work is demanding, there is a serious shortage of personal care aides in Maryland; this shortage leads to delays and gaps in care for older Marylanders and those with disabilities in Medicaid community-based programs. As our state's personal care workforce shrinks, the need continues to grow as Maryland's population ages. According to the Administration for Community Living, 22 percent of Maryland's population will be sixty or older by the year 2030, an increase of 26 percent from 2012.

We hope that the wage analysis required by SB 371 will lead to an increase in wages for the hard-working Marylanders who provide vital personal care services to some of our most vulnerable citizens. We believe SB 371 is the first step to requiring more fair wages to support personal care employees and their families, increase the supply of workers, and enhance care for older Marylanders and Marylanders with disabilities in Maryland Medicaid programs.

We ask that you give a favorable report on SB 371.

Respectfully,

Karessa Proctor, BSW, MSW
Executive Director, NASW-MD

Linda Mamani testimony SB371.pdf

Uploaded by: Linda Mamani

Position: FAV

February 5, 2024

Homecare Workers Employment Act of 2024 HB189

Hello, my name is Linda Mamani and I am a member of the National Domestic Workers Alliance. For more than 20 years I have been a care worker. I've stayed in this industry for so long because I like to help others. Though I have experience working in the private sector, I've made the decision to move to the public sector because I heard that wages would be higher working with agencies, but I realized that this is not true and that there's no benefits either. After all these years working in the private sector, I was looking to the public sector to answer some of the challenges that we have as private employees, such as finding clients, negotiating our own wages, just to name a few. However, the wages I have encountered as I look to transition to the public sector are not enough to sustain my family.

I am a single mother and I have to work to support my daughter. My hope is to be financially independent and not rely on anyone for help, like anybody else who has a job with dignity and respect. I've interviewed for direct care jobs that offer \$17 per hour, but after deductions, I know that this will not be enough to sustain me and my family.

There is currently a home care crisis, where there are not enough home care workers to take care of our increasingly aging population and others who need assistance. People like me, who have years of experience providing care, don't feel incentivized to do direct care work because the wages are too low to survive on. Oftentimes, private families pay more than what agencies do. This is not fair to the people we take care of, or to us. We take care of others as best as we can, and we want to feel taken care of too.

I ask you to pass the Home Care Workers Employment Act of 2024 so that there is transparency around Medicaid funded-worker's wage rates, and to lay the groundwork for higher wages for direct care workers in order to solve the care crisis. So that workers like me, who have over decades of experience in care taking, are attracted to Medicaid funded work. I have been thinking about my own retirement because as I am getting older, these are the things I have to think about. We take care of so many other people, but who will take care of us?

SB 371 - 1199SEIU.pdf

Uploaded by: Loraine Arikat

Position: FAV



Testimony in support of SB 371

Homecare Worker Livable Wage Act of 2024

Dear Chair Beidle and members of the Finance committee:

My name is Ricarra Jones, and I am the Political Director of 1199SEIU United Healthcare Workers East. We are the largest healthcare workers union in the nation – representing 10,000 healthcare workers in long-term care facilities and hospitals across Maryland. 1199 SEIU supports SB 371 because we believe the state needs to lay the foundation for collecting and analyzing data for the home care workforce that can bolster wages and job quality.

Fair pay for personal care aides is a race equity and gender equity issue. PCAs are about 90% women and 70% are Black. Nearly 1 in 10 personal care aides live in poverty in the state. Higher wages means personal care aides are relying less on public assistance, improve quality care, and attract more people to stay in the field. **1199 SEIU is at the forefront of navigating a dire shortage of healthcare workers across hospitals and long term care.** We know that the demand for home care is increasing as Maryland's population of those 65 and older will exponentially increase. In order to meet the need adequately, Maryland will need 40 percent more care workers over the next 10 years¹.

SB 371 sets the groundwork to invest in Maryland's long term care system with fair Medicaid reimbursement rates for agencies and higher wages for workers. Because state Medicaid agencies set reimbursement rates and pay for many of these workers, states have the opportunity and responsibility to improve outcomes for home care workers and the families they serve by ensuring that the home health care workforce is supported by family sustaining wages.

1199 SEIU also supports SB 371 because it addresses the lack of adequate data and transparency about Maryland's home care workers. Maryland Department of Labor will collect basic information on wages of the home care workforce that can inform future rate and wage increases in Maryland. 1199 SEIU supports the recommendations from the Commission to Study the Healthcare Workforce Crisis and believes SB 371 is an important step towards improving data on the home care workforce.

Because care can't wait and for the reasons above, we request a **favorable** report on SB 371 Please reach out to Ricarra Jones at ricarra.jones@1199.org should you have any questions.

Sincerely,

Ricarra Jones

Political Director | 1199 SEIU United Healthcare Workers East

SB 371 - Fatimah.pdf

Uploaded by: Loraine Arikat

Position: FAV

Testimony for SB 371

Homecare Workers Livable Wage Act of 2024

Position: FAV

Dear Chair Beidle and members of the Finance committee:

My name is Fatimah and I live in Baltimore County. I have been a home care aid for 5 years. I am single mother of three children and I am here today because for too long home care workers have been underpaid and overworked. We have been invisible to rest of society as we travel to people's homes ensuring they are able to do their daily tasks safely and with support. I believe that care workers are the backbone of this economy allowing loved ones to return to work and ensure our clients age in place.

I immigrated to Maryland from Gambia. I know that caregiving has been undervalued in this country due to historical legacies of racism, sexism, and xenophobia. Many are leaving the field because of poor pay, lack of adequate benefits, and risky working conditions. I could not pay my rent for three months because of irregular hours and low pay.

I am here today to fight for me and my family, for home care workers in the state but also for my patients who deserve consistent caregivers. The work we do is physically and emotionally challenging and when I go home, I must make sure I can pay all my bills and take care of my own health.

I do this work because providing care is important to me, but I am underpaid and burnt out trying to make ends meet for me and my family. It's long overdue for the state to invest in us, care workers, and ensure we are getting adequately paid.

Because care can't wait, I urge you to issue a favorable report on SB 371.

Sincerely,

Fatimah Jallow

diallofatima84@yahoo.com

SB 371 - Nadirah.pdf

Uploaded by: Loraine Arikat

Position: FAV

Testimony for **SB 371**

Homecare Workers Livable Wage Act of 2024

Position: **FAV**

Dear Chair Beidle and members of the Finance committee:

My name is Nadirah and I live in Baltimore City. I have been a home care aid on and off for 30 years now. I love my job because I believe that care is what keeps this world afloat. Since I was twelve years old when I started watching my mom and ever since then I knew that caregiving is my calling.

I am here today because for too long home care workers have been invisible to the rest of society as we travel to people's homes ensuring they are able to do their daily tasks safely and with support. I am here today to fight for home care workers in the state but also for my patients who deserve consistent caregivers. Because of low pay, I have colleagues jumping between agencies or sometimes leaving the field entirely to earn more in another industry.

When home care workers are compensated justly, we have better morale. When I go home, I want to have enough to not only make ends meet and pay my bills but also the things that make me feel good like a membership to the YMCA, going out to lunch, or getting a massage. I want home care workers in Maryland to not only survive, but thrive.

I do this work because providing care is personal to me, but I am underpaid and burnt out trying to make ends meet for me and my family. I had a brain tumor and survived a stroke. I suffered paralysis and when I could not walk, talk, or barely eat, I relied on a friend to care for me. Will the legislature wait until you or your loved ones experiences a health decline to invest in our care infrastructure? And by then, will it be too late?

Caregivers are the backbone of this economy. It's long overdue for the state to invest in us, care workers, and ensure we are getting adequately paid. Because care can't wait, I urge you to issue a favorable report on SB 371.

Sincerely,

Wendy (Nadirah) Wiley

Wendywiley101@gmail.com

SB 371 - Tonya.pdf

Uploaded by: Loraine Arikat

Position: FAV

Testimony for **SB 371**

Home Care Workers Livable Wage Act of 2024

Position: **FAV**

Dear Chair Beidle and members of the Finance committee:

My name is Tonya. I have been a home care worker for 12 years in Maryland. I support SB 371 because it provides a needed investment in home care workers that can improve retention and recruitment to meet the needs of all the residents needing home care services.

Let me tell you about one of my clients, Linda. I worked with Linda for 8 years. Linda had a stroke and her whole left side was paralyzed. I would help her get up from bed, make her food, take her to doctor's appointments, advocate for her, and I treated her like family. Linda trusted me with her life and I was always the highlight of her day. She became part of my family. She passed away in 2021 and I had to take time off from work because of the grief I felt.

The client I have now, Anthony, has shuffled between home care workers because he is a bit difficult to work with. He became disabled 13 years ago after a horrible motorcycle accident that almost had him pronounced dead. But he survived. As I'm working with him, I feel like I'm helping him slowly put himself back together. I help him with his daily tasks and encourage him to believe in himself as he navigates his life.

My clients deserve all the care and attention in the world. But, I can't afford to stay in this field anymore. There are weeks where I am deciding between getting food for the week or gas and it's put me in a hard spot. I work 10-12 hour days and I take home \$1,800 every month. After I pay rent, car insurance, I barely have anything left for food, utility bills, and other needs.

It's just not fair. I'm almost ready to give it up but I don't want to give it up. I'm good at what I do and I have deep compassion for the people I work with.

SB 371 is an important step towards investing in Maryland's care workforce. I'm here to urge you to support SB 371 on behalf of clients like Linda and Anthony who need care workers and to help me keep the job that I love.

Sincerely,

Tonya Maynard

Maynardtonya@gmail.com

SB 371 - FAV - ALZ Association Testimony.pdf

Uploaded by: Megan Peters

Position: FAV

alz.org/maryland
800.272.3900

Greater Maryland Chapter
502 Washington Avenue, Suite 300
Towson, MD 21204
410.561.9099 p
410.561.3433 f

Western Maryland
108 Byte Drive, Suite 102
Frederick, MD 21702
301.696.0315 p
410.742.0525 f

Salisbury
909 Progress Circle, Suite 400
Salisbury, MD 21804
410.543.1163 p
410.742.0525 f



Bill: SB 371 - Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides - Reimbursement and Wage Reports (Homecare Workers Employment Act of 2024)

Committee: Senate Finance

Position: Favorable

Date: February 6, 2024

On behalf of the more than 110,000 Marylanders living with Alzheimer's and the nearly 250,000 caregivers, the Alzheimer's Association supports *SB 371 - Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides - Reimbursement and Wage Reports (Homecare Workers Employment Act of 2024)* and urges a favorable report.

SB 371 will require provider agencies to submit certain reports to the Maryland Department of Labor regarding wage rates for personal care aides. The Maryland Department of Health (MDH) will compare the reimbursement rates for certain home- and community-based services (HCBS) provided under Maryland Medicaid with actual costs associated with providing these services. Based on this review, MDH will develop a plan to close any gaps in reimbursement rates, including considering wages. Findings and recommendations will be updated every two years.

According to a study published in July 2023, Maryland has the highest estimated prevalence in the nation for Alzheimer's dementia in people aged 65 and older (12.9%).¹ Additionally, among U.S. jurisdictions², both Baltimore City and Prince George's County fall in the top 5 jurisdictions with the highest estimated prevalence rates, 16.6% and 16.1% respectively.³

As the prevalence of Alzheimer's disease increases, so does the demand for additional workforce involved in caring for those living with the disease. Personal care aides are an essential part of our care ecosystem. However, availability of these aides is expected to decline if no action is taken to address recruitment and retention. This bill works to address this issue by providing regular data that would inform policy decisions to ensure there are sufficient workers to care for people living with dementia and other vulnerable adults.

The Alzheimer's Association is committed to strengthening the dementia care workforce and urges a favorable report on SB 371. Please contact Megan Peters, Director of Government Affairs at mrpeters@alz.org with any questions.

¹ Dhana K, Beck T, Desai P, Wilson RS, Evans DA, Rajan KB. Prevalence of Alzheimer's disease dementia in the 50 US states and 3142 counties: A population estimate using the 2020 bridged-race postcensal from the National Center for Health Statistics. *Alzheimer's Dement.* 2023; 19: 4388–4395. <https://doi.org/10.1002/alz.13081>

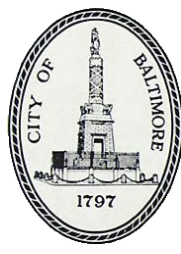
² Jurisdictions are defined as a population of 10,000 or more individuals aged 65 and older.

³ Ibid.

SB0371-FIN-SUPP.pdf

Uploaded by: Nina Themelis

Position: FAV



BRANDON M. SCOTT
MAYOR

*Office of Government Relations
88 State Circle
Annapolis, Maryland 21401*

SB0371

February 6, 2024

TO: Members of the Senate Finance Committee

FROM: Nina Themelis, Director of Mayor's Office of Government Relations

RE: Senate Bill 371 – Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides - Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024)

POSITION: FAVORABLE

Chair Beidle, Vice Chair Klausmeier, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 371.

SB 371 requires providers under several Medicaid funded home and community-based programs to submit annual reports to the Maryland Department of Labor documenting wages paid to employees who provide personal care services. The bill directs the Maryland Department of Health to use these reports to analyze compensation, determining the impact of regulatory requirements and comparing wages paid to these workers to wages paid to workers providing similar services in other State programs. The Department is further required to develop a plan to close the gap in wage differentials and determine the adjustment in reimbursement rates needed to raise the wages of personal care workers in these programs to at least 150% of the state minimum wage.

Maryland is home to nearly 1.4 million adults ages 60 and older.ⁱ Personal care workers in Medicaid home and community-based programs are essential to supporting older adults and persons with disabilities as they seek to remain in their homes and communities, rather than move to an assisted living facility. However, the state annual mean wage of home health and personal care aides is just \$32,590, and many of these workers must work multiple jobs to make ends meet.ⁱⁱ According to data from the U.S. Department of Labor, Maryland ranks below 40 other states for our number of home health workers per 1,000 residents, meaning we are not doing enough to attract and retain people to work in this essential field.ⁱⁱⁱ SB 371 addresses the need to provide adequate pay for these essential workers and to develop a plan to assure that Medicaid supports adequate pay for them.

For these reasons, the BCA respectfully request a **favorable** report on SB 371.

ⁱ Maryland Department of Aging. (2021). State Plan on Aging, 2022-2025. Retrieved from <https://aging.maryland.gov/SiteAssets/Pages/StatePlanonAging/MD%20State%20Plan%202022-2025.pdf>

ⁱⁱ US Bureau of Labor Statistics. (2023). Occupational Employment and Wage Statistics - Home Health and Personal Care Aides. Retrieved from <https://www.bls.gov/oes/current/oes311120.htm#st>

ⁱⁱⁱ United Health Foundation. (2024). Home Health Care Workers in Maryland. Retrieved from https://www.americashealthrankings.org/explore/measures/home_health_care_sr_b/MD

SB 371 - FAV - MSCAN Testimony[68].pdf

Uploaded by: Sarah Miicke

Position: FAV



Maryland Senior Citizens Action Network

MSCAN

AARP Maryland

*Alzheimer's
Association,
Maryland Chapters*

*Baltimore Jewish
Council*

Catholic Charities

*Central Maryland
Ecumenical Council*

Church of the Brethren

*Episcopal Diocese of
Maryland*

*Housing Opportunities
Commission of
Montgomery County*

*Jewish Community
Relations Council of
Greater Washington*

*Lutheran Office on
Public Policy of
Maryland*

*Maryland Association of
Area Agencies on Aging*

*Maryland Catholic
Conference*

*Mental Health
Association of Maryland*

Mid-Atlantic LifeSpan

*National Association of
Social Workers,
Maryland Chapter*

Presbytery of Baltimore

*The Coordinating
Center*

*MSCAN Co-Chairs:
Carol Lienhard
Sarah Mücke
410-542-4850*

Testimony in Support of SB 371 – Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides – Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024) Senate Finance Committee February 6, 2024

The Maryland Senior Citizens Action Network (MSCAN) is a statewide coalition of advocacy groups, service providers, faith-based and mission-driven organizations that supports policies that meet the housing, health and quality of care needs of Maryland's low and moderate-income seniors.

SB 371 will require provider agencies to submit certain reports to the Maryland Department of Labor regarding wage rates for personal care aides. The Maryland Department of Health (MDH) will compare the reimbursement rates for certain home- and community-based services (HCBS) provided under Maryland Medicaid with actual costs associated with providing these services. Based on this review, MDH will develop a plan to close any gaps in reimbursement rates, including considering wages. Findings and recommendations will be updated every two years.

Maryland's diverse senior population is projected to grow faster than any other age group in the coming years. By 2035, projections indicate there will be nearly 2.1 million adults aged 60 and over compared to 1.6 million children and youth under the age of 19. As Marylanders age, it is important to have a robust healthcare workforce to enable seniors to seek the care they need. Personal care aides are an essential part of the workforce as they support individuals with activities of daily living, often enabling seniors to age in place.

As our senior population grows, the demand for additional workforce involved in caring for seniors will also grow. However, the availability of personal care aides is expected to decline if no action is taken to address recruitment and retention. This bill works to address this issue by providing data that will inform future policy decisions to ensure there are sufficient workers to care for our seniors in need of these services.

MSCAN respectfully requests a favorable report for SB 371.

SB 371 MD Medical Assistance Program_Provider Agen

Uploaded by: Tammy Bresnahan

Position: FAV



One Park Place | Suite 475 | Annapolis, MD 21401-3475
1-866-542-8163 | Fax: 410-837-0269
aarp.org/md | md@aarp.org | twitter: @aarpm
facebook.com/aarpm

**SB 371 Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides – Reimbursement and Wage Reports
(Homecare Workers Employment Act of 2024)
Senate Finance Committee
FAVORABLE
February 6, 2024**

Good afternoon, Chair Beidel and members of the Senate Finance Committee. I am Tammy Bresnahan, Senior Director of Advocacy AARP Maryland is a proud member of the Caring Across Maryland coalition supporting a package of bills to bolster quality of care in long term care settings. On behalf of our more than 850,000 members, we would like to thank you for the opportunity to speak in support of SB 371 the Maryland Medical Assistance Program-Provider Agencies and Personal Care Aids-Reimbursement. We thank Senator Lam for sponsoring this important piece of legislation.

AARP is a nonpartisan, nonprofit, nationwide organization that helps people aged 50-Plus, strengthens communities and fights for the issues that matter most to families, such as health care, employment and income security, retirement planning, affordable utilities, and protection from financial abuse.

The Homecare Worker Employment Act of 2024 will address the shortage of basic data on Maryland's home care workforce by requiring reporting of certain Medicaid-funded home care workers' wage rates and lay the groundwork to solve the workforce crisis by increasing workers' wages. A similar bill filed in 2023 passed the House unanimously but did not get a vote in the Senate.

SB 371 The Homecare Worker Employment Act of 2024 will address the shortage of basic data on Maryland's home care workforce by requiring reporting of certain Medicaid-funded home care workers' wage rates and lay the groundwork to solve the workforce crisis by increasing workers' wages. In 2023 A similar bill, HB 318 passed the House unanimously but did not get a vote in the Senate. We thank Senator Lam for introducing this bill.

Maryland lacks data on home care workers' pay rates—information policymakers need to understand and address the home care workforce crisis.

- Consumers and employers report home care workforce shortages and high turnover. But although most of the workforce is funded by Medicaid, there is no hard data on workers' pay rates. As a result, policymakers lack the data they need to improve home care jobs and solve the workforce crisis.

- This bill solves this problem by requiring that home care agencies that receive Medicaid reimbursement

The bill requires a report to the Maryland Department of Labor the average, highest, and lowest pay rates they pay home care workers. With this information, Maryland can take action to ensure that workers receive competitive wages, helping attract and retain the workforce Maryland needs.

Maryland needs consistent, up-to-date Medicaid reimbursement rate studies to ensure that our state's Medicaid reimbursement rates allow for direct care workers to be paid competitive wages.

- Maryland last did a Medicaid reimbursement rate study for home- and community-based services in 2018. Needless to say, Maryland has changed a lot since. As a result, both policymakers and the Maryland Department of Health lack the information they need to ensure that reimbursement rates are adequate to allow providers to pay competitive wages.
- The Homecare Worker Employment Act of 2024 would solve this problem by requiring rate studies every two years, with reports to the Senate Finance Committee and the House Health and Government Operations Committee. The rate study will involve interviews with key stakeholders, including providers, and will also examine the cost of ensuring that workers are paid at least 50% more than minimum wage (i.e., \$22.50/hour).

For these reasons, we ask the Committee for a favorable report on SB 371. If you have questions or comments, please contact Tammy Bresnahan at tbresnahan@aarp.org or by calling 410-302-8451.

SB371_LOS_MCC-signed.pdf

Uploaded by: Theresa Robertson

Position: FAV



MARYLAND COMMISSION ON CAREGIVING

MEMBERS

Theresa Robertson, Co-Chair

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Yetunde Olobatuyi

Shalini Arora, LCSW-C

February 6, 2024

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401

RE: SUPPORT SB371 - Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides - Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024)

Dear Chairwoman Beidle,

The Maryland Commission on Caregiving is pleased to submit this **letter of support for SB371 - Maryland Medical Assistance Program - Provider Agencies and Personal Care Aides - Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024)**. This bill will address the shortage of basic data on Maryland's home care workforce by requiring reporting of certain Medicaid-funded home care workers' wage rates and lay the groundwork to solve the workforce crisis by increasing workers' wages.

Many people with disabilities and older adults rely on Medicaid-funded personal care services to provide necessary supports to live safely and independently within their homes. As the population ages, people with disabilities live longer, and national policy shifts from institutional towards community-based care, there will need to be substantial improvements in the availability of personal care aides to meet the demand. This has only been exacerbated by the COVID-19 pandemic.

Unfortunately, due to the low Medicaid-reimbursement rate for personal care services, there is little incentive for people to enter a workforce that requires them to perform oftentimes strenuous activities to support people with disabilities and older adults to live in their homes. How can residential service and home health agencies compete with other employers like Wal-Mart and Amazon which also offer a minimum of \$15/hour? Additionally, the current personal care workforce is primarily comprised of women (88%), and people of color (88%) and 32% were born out of the U.S. which makes this also a gender and racial equity issue.¹

By requiring that home care agencies that receive Medicaid reimbursement report to the Maryland Department of Labor the average, highest, and lowest pay rates they pay home care workers, Maryland can take action to ensure that workers receive competitive wages, helping attract and retain the workforce Maryland needs. In addition, it requires the Department of Health by September 30, 2024 and every 2 years thereafter, to submit reports to the Senate Finance Committee and the House Health and Government Operations Committee regarding reimbursement rates for provider agencies and any recommended regulatory or legislative changes.

As the state slowly moves towards a self-directed model for its Home and Community-Based Services, something the Developmental Disabilities Administration (DDA) has had in its waiver program for years, it is imperative that the reimbursement rate increases to allow participants greater flexibility to hire their own staff outside the

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

confines of an agency.

Serving as the ‘voice of the Maryland family caregiver,’ the Maryland Commission on Caregiving (“Commission”) is a 14-member Governor-appointed body charged with recommending policies that positively impact family caregivers, soliciting and responding to their concerns and acknowledging their contributions. The Commission works to ensure that caregivers across the lifespan are equipped with the resources needed to provide safe care to their loved ones. Medicaid-funded personal care programs are essential to supporting family caregivers. **Passage of SB 371 would support such efforts which is why the Commission respectfully urges a favorable report.**

Sincerely,

Theresa Robertson

Theresa Robertson, Co-Chair, MD Commission on Caregiving

Testimony for SB 371.pdf

Uploaded by: Vivian Boone

Position: FAV

Testimony for SB 371

Homecare Workers Livable Wage Act of 2024

Position: FAVORABLE

Dear Chair Beidle and members of the Finance Committee:

My name is Vivian Boone. I live in Baltimore City and I have been a home care worker for 35 years. This work is deeply personal and intimate. You get to know your client up close and personal and they become like family.

When the pandemic hit us, everyone saw how broken our healthcare system was. But it was us who had to keep working through the brokenness. CNAs, GNAs were pulled to face this battle. Many took their loved ones out of the nursing homes during that time to be cared for at home. We came in to your homes, assisted with daily activities, meals, medication, and provided support during a challenging time.

Our clients all have the right to be treated with respect and dignity. At some point in our lives, we will need some sort of care through nursing homes, hospital, or assisted living. In that time, all you will wish is for a reliable and support care workforce.

Without an increase in pay, I feel like my job, my worth has no value in this society. We are 3 years after the start of this pandemic and home care workers are completely left behind. We have a new governor in office that says no will get left behind. So I urge you legislators to vote favorably for a foundational bill that will ensure the state has the data it needs to ensure the homecare workforce is supported adequately.

Caregivers are the backbone of this economy. It's long overdue for the state to invest in us, care workers, and ensure we are getting adequately paid. Because care can't wait, I urge you to issue a favorable report on SB 371.

Sincerely,

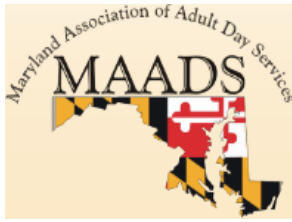
Vivian Boone

Vivianboone@gmail.com

SB0371_FWA_MAADS, MNCHA_Medicaid - Provider Agenci

Uploaded by: Danna Kauffman

Position: FWA



Managed by LifeSpan



TO: The Honorable Pamela Beidle, Chair
Members, Senate Finance Committee
Senator Clarence Lam

FROM: Danna L. Kauffman
Pamela Metz Kasemeyer
Christine K. Krone
410-244-7000

DATE: February 6, 2024

RE: **SUPPORT WITH AMENDMENT** – Senate Bill 371 – *Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides – Reimbursement and Wage Reports (Homecare Workers Livable Wage Act of 2024)*

On behalf of the Maryland Association of Adult Day Services and the Maryland-National Capital Homecare Association, we submit this joint letter of **support with amendment** for Senate Bill 371.

Senate Bill 371 seeks to accomplish two items: 1) require residential service agencies to report certain wages to the Department of Labor regarding personal care aides; and 2) require the Maryland Department of Health (MDH) to study the costs incurred by home-and-community based services to provide care to Maryland recipients versus the level of payments provided by the State. Within the report is the added requirement to study the cost implications for increasing wages for personal care aides to 150% of minimum wage.

To clarify, the study required in Senate Bill 371 is not a new study. Rather, it is simply the requirement to update the 2018 study done by MDH (by Hilltop Institute).¹ The final report released by the Hilltop Institute demonstrated a clear deficiency in funding by the State for Medicaid home-and-community based services.² As drafted, Senate Bill 371 appears to only apply to personal care providers (i.e., residential survey agencies) but this was not the intent and is a drafting error. Given that the “bones” of the study have already been accomplished, it should be less labor-intensive to update it. It is important to note that the General Assembly, through budget language in 2019, required MDH to develop a 5-year plan for closing the funding gap. Unfortunately, the Department failed to develop this plan. Rather, it simply reported that it needed more information and was going to issue an RFP to acquire that information, which did not occur. The State is long overdue in updating and implementing the recommendations that

¹ The HCBS study is Section 2 of the bill. [2018 Regular Session - House Bill 1696 Third Reader \(maryland.gov\)](#).

² House Bill 1696 (Chapter 798 of the Acts of 2018) – Report on Rare & Expensive Case Management Reimbursement Rates for Home-and-Community Based Care and the Costs Associated with Providing Service and Care Under Other Home-and-Community Based Services. [Report on REM Reimbursement Rates for Home- and Community-Based Care.pdf \(maryland.gov\)](#)

have been requested by the General Assembly. With rising operating costs and healthcare workforce constraints, now is the time to revisit this issue and give equal attention to the health and security of Medicaid as the State has given to other program and funding items.

While MNCHA is supportive of the reporting of wages, that support is predicated on the updating of the study. Without the study, the reporting of wages becomes problematic. Currently, the federal government has proposed to require that no less than 80% of all Medicaid payments, including but not limited to base payments and supplemental payments, be spent on compensation to direct care workers. Unfortunately, the federal government has failed to account for how each state, including Maryland, pays for personal care services and whether this rule is sustainable for agencies, given deficiencies in payments. Therefore, this study is essential for the ongoing health of personal care agencies.

Apart from personal care, this legislation is supported by other home-and-community based organizations, such as the Maryland Association of Adult Day Services, who have advocated for the updating of the 2018 report. This is especially important now, given market conditions and competition in sustaining an adequate workforce. MAADS would request that the issue of increasing wages to 150% be done for all home-and-community based services included in the report, given that increasing wages for only one sector can have a negative effect on others.

Therefore, both MNCHA and MAADS are supportive of Senate Bill 371 with clarifying amendments.

5 - SB 371 - FIN - MDH - LOI (1).pdf

Uploaded by: Jason Caplan

Position: INFO



DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

February 6, 2024

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401-1991

RE: Senate Bill 371 - Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides – Reimbursement and Wage Reports (Homecare Workers Employment Act of 2024) – Letter of Support with Amendments

Dear Chair Beidle and Committee Members:

The Maryland Department of Health (MDH) respectfully submits this letter of information for Senate Bill (SB) 371 – *Maryland Medical Assistance Program – Provider Agencies and Personal Care Aides – Reimbursement and Wage Reports (Homecare Workers Employment Act of 2024)*.

Currently, Maryland Medicaid has 920 Medicaid enrolled RSAs providing personal assistance services. In FY 2022, MDH reimbursed RSAs \$394,351,407 for personal assistance services provided to 14,230 Medicaid participants. MDH is responsible for determining the overall reimbursement rates for the personal assistance services rendered by RSAs.

While MDH sets reimbursement rates for the services rendered by Medicaid providers, it does not have any role in setting wages or benefits paid to their employees. Enforcement of laws that protect worker's rights would fall outside the scope of MDH's authority and would be subject to oversight by other state and federal agencies.

SB 371 currently requires the reports to be submitted to the Maryland Department of Labor. MDH notes that our agency does not have the expertise to review these reports.

Beginning September 30, 2024, the bill requires MDH to submit reports regarding reimbursement rates for personal assistance services provider agencies reimbursed by Maryland Medicaid every two years to the Senate Finance Committee and the House Health and the Government Operations Committee. In order to adequately provide the data required by the reports, MDH must conduct cost-based studies and other research. MDH estimates submission of these reports will have a fiscal impact of \$700,000 in total funds (\$350,000 general funds, \$350,000 federal funds) per reporting cycle to support contractual costs.

MDH has particular concerns related to the provisions regarding development of a plan to close any differential gap in reimbursement rates, as well as calculations regarding the adjustment to

reimbursement rates needed to increase wages and benefits to personal care aides to at least 150% of the state minimum wage.

On January 10, 2024, the US Department of Labor published a final rule, Employee or Independent Contractor Classification Under the Fair Labor Standards Act, effective March 11, 2024, revising the Department's guidance on how to analyze who is an employee or independent contractor under the Fair Labor Standards Act (FLSA).¹ This rule is expected to impact provider agencies for home and community based services (HCBS). Further, under a rule proposed by the Centers for Medicare and Medicaid Services (CMS) on May 5, 2023, at least 80% of Medicaid payments for certain HCBS services would be required to be spent on compensation for direct care workers.² In short, federal action will require a percentage of payments to be paid directly to workers. Therefore, MDH advises waiting on expected federal changes to be implemented, rather than implementing a state requirement this year that may not align with upcoming federal requirements.

Further, MDH has consistently implemented rate increases for Medicaid long term services and supports programs as required by legislation and the Governor's budget from FY 2017 through FY 2024. Most recently, this includes a 12% increase in FY 2023 and an 8% increase in FY 2024. MDH believes initial cost reports should be completed prior to the establishment of thresholds for potential rate increases.

MDH is presently actively engaged in discussion on amendments with Delegate Robbyn Lewis and advocates on House Bill 189. MDH believes that HB 189, as amended with consensus amendments, will address many of the issues raised in this legislation.

If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron, Director of Governmental Affairs at sarah.case-herron@maryland.gov or (410) 260-3190.

Sincerely,

Laura Herrera Scott, M.D., M.P.H.
Secretary

1

<https://www.federalregister.gov/documents/2024/01/10/2024-00067/employee-or-independent-contractor-classification-under-the-fair-labor-standards-act>

2

<https://www.federalregister.gov/documents/2023/05/03/2023-08959/medicaid-program-ensuring-access-to-medicare-services>

In the House Health and Government Operations Committee:

AMENDMENTS TO HOUSE BILL 189
(First Reading File Bill)

On Page 4, strike lines 4 through 10, inclusive.