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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