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HB 462 Funding for Wages and Benefits for Nursing Home Workers (Nursing Home Staffing Crisis Funding Act of 2024)

House Health and Government Operations Committee

FAVORABLE

February 1, 2024

Good afternoon, Chair Joseline Peña-Melnyk and members of the House Health and Government Operations Committee. I am Tammy Bresnahan, Senior Director of Advocacy for AARP MD. On behalf of our more than 850,000 members, we would like to thank you for the opportunity to speak in support of HB 462 Funding for Wages and Benefits for Nursing Home Workers (Nursing Home Staffing Crisis Funding Act of 2024). We thank Delegate Martinez for introducing HB 462.

HB 462 requires the Governor's proposed budget for fiscal 2026 through 2028 to include an 8% rate increase for specified providers in the Medicaid and Maryland Children's Health Program (MCHP). Seventy-five percent of the funding increase must be used to fund wages and benefits for specified nursing home workers. Nursing home providers who receive the rate increases must document disbursement of the funds. By September 1, 2026, and annually thereafter, each nursing home must submit to the Maryland Department of Health (MDH) a specified cost report.

AARP believes that living wages and salaries should be commensurate with comparable salaries in the state and with the time, skill, and effort required to render high-quality services and supports. Medicaid reimbursement rates should be rebased and updated regularly to consider relevant economic and financial information, including provider costs. State governments should require pass-throughs (i.e., using additional LTSS funding) or other mechanisms to increase compensation for direct-care workers.

In addition, there should be adequate accountability procedures, such as audits, to ensure that reimbursement increases designated for staffing costs are used for that purpose. And lastly State governments should document the shortage of workers and their training needs, and support research to identify effective ways to address these problems and create a sustained high-quality workforce.

For these reasons, we ask the Committee for a favorable report on HB 462. If you have questions or comments, please contact Tammy Bresnahan at tbresnahan@aarp.org or by calling 410-302-8451.