

SB679_Marylanders for Patient Rights_fav.pdf

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Position: FAV

Marylanders for Patient Rights

MARYLANDERS FOR PATIENT RIGHTS REQUESTS A FAVORABLE REPORT ON SB679 Nursing Homes-Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act)

Marylanders for Patient Rights is the leading advocacy group for patients in our state. We strongly support SB679 which will enable effective policymaking to protect the health of nursing home residents. Basically, SB679 will require each nursing home to expend at least 75% of its total nursing and residential care revenue for direct care wages and benefits. It will require each nursing home to submit an annual cost report with documentation of wage disbursement to the Maryland Dept. of Health (MDH).

Importantly, SB679 requires the MDH to take appropriate enforcement action, if necessary, thus improving the current oversight of nursing homes. The failure of MDH to enforce compliance with existing health care laws in the past has led to those laws being ineffectual and lawsuits targeting the MDH.

Nursing homes across the state face critical staffing shortages, leading to high staff turnover and negatively impacting the quality of care for these vulnerable patients. Understandably, careworkers are leaving the field for better paying employment and benefits at retail giants and restaurants. It is vitally important to ensure that this critical workforce is treated fairly and attracts qualified and caring workers, as our population ages.

Moreover, the SB679 will address the lack of transparency regarding nursing home spending, in particular the percentage of nursing home revenue allocated to resident care and worker's wages.

Please provide a favorable report on SB679, and help to protect Maryland nursing home patients and residents by ensuring transparency of wages and benefits for our vital caregiver workforce.

Thank you,

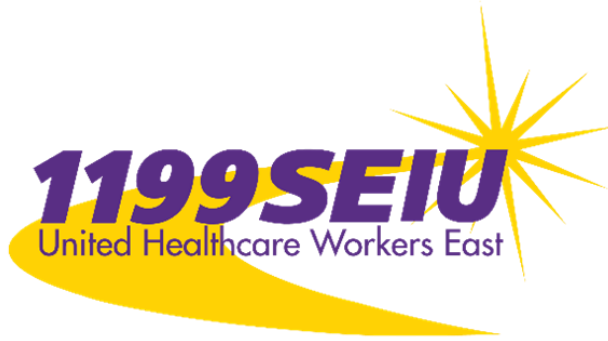
A C Palmisano

Anna C. Palmisano, Ph.D, Director
Marylanders for Patient Rights
palmscience@verizon.net

Carolyn Taylor Chester SB679HB933 FAV.pdf

Uploaded by: Brige Dumais

Position: FAV



Testimony on SB679/HB933
The Nursing Home Care Crisis Transparency Act of 2025
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Carolyn Taylor-Chester and I have been working as Geriatric Nursing Assistant at a long-term care facility for over 30 years. I love connecting with the residents and getting to know them. I go above and beyond what I am paid to make sure our residents are safe and cared for. I support SB679/HB933 because care workers and residents in nursing homes deserve better. We need this bill because financial transparency is the first step towards improving residents' experiences and working conditions.

Recently, I was the only GNA on shift working with 41 residents. There should be 3 GNAs to care for that many people. It's detrimental to the residents because they are left waiting for the care they need. Residents get frustrated and overwhelmed, understandably so. It's not fair that they should have to wait for care. In addition to not having enough workers, we also don't have enough supplies.

I have five grandchildren and one great-grandchild. I continue to work so that I can provide for my family, but with short staffing, I feel overworked and burned out. I have arthritis and gout, and my work schedule barely lets me take care of myself. Workers are asked to sacrifice our own health when our facilities are short-staffed. This month, I took time off work because I had a medical procedure. While I was still recovering, I received a call from a manager asking me to come in to work even though I was on medical leave. Short staffing was the reason cited for why I needed to come in. The manager tried to make me feel guilty, like it was my fault they would be short that day. I care for my residents, but I also needed to care for myself and was unable to work. Instead of being able to focus solely on my healing, I was worrying about my residents. That's not fair to anyone.

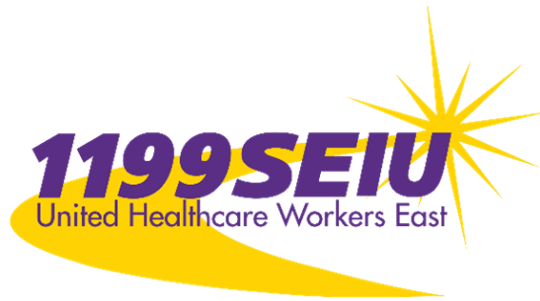
Maryland needs to study our long-term care system to improve it for residents and workers. I urge a **favorable** report on SB679/HB933: The Nursing Home Care Crisis Transparency Act. Thank you.

Sincerely, Carolyn Taylor Chester

Ditanya Rosebud SB679HB933 FAV.pdf

Uploaded by: Brige Dumais

Position: FAV



Testimony on SB679/HB933
The Nursing Home Care Crisis Transparency Act of 2025
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Ditanya Rosebud. I am a cook in a long-term care facility in Baltimore and a member of 1199SEIU United Healthcare Workers East. I've worked in food preparation for healthcare facilities for 27 years and have been employed at my current facility for 11 years. I urge you to issue a favorable report on SB679/HB933: The Nursing Home Care Crisis Transparency Act of 2025.

My job is to prepare meals for the residents of the long-term care facility, where we have a new menu every week. I work the lunch and dinner shifts, so I prepare 60 meals per day. I'm also responsible for ensuring that the meals are all in accordance with the residents' dietary restrictions and wrapping the meals up afterward. I enjoy the work I do because preparing food is such an important way to care for people. Providing care is why I decided to enter this line of work.

My facility has been short staffed since the COVID19 pandemic hit, and it is only getting worse as time goes on. Before short staffing, I was cooking for 14-15 people, now I cook for 30. I miss the days preceding the short staffing crisis because we were able to have more of a family dynamic with the residents where we could spend quality time with them and customize their meals. The social aspect of dining was something that made the residents and the workers feel good. We used to cook in different "households" throughout the facility, but when management started short staffing the facility, we were all directed to move to the main kitchen where there is no interaction with residents whatsoever. Now, it feels more like being on an assembly line than providing care. Short staffing is an issue in every department, not just in the kitchen.

Investigating how long-term care facilities spend their money can help fix the problem of chronic short staffing, because it will provide transparency on worker wages and benefits. Workers are underpaid, and it would make those of us who have been working through this crisis feel more appreciated and less likely to quit if the state had more oversight on nursing home spending.

With the cost of living being so high, every month I have to make impossible choices like whether I pay the BGE or the water bill, because I can't afford to do both. I care for my two grandchildren. If I got a wage increase and could pay all my bills, I would spend anything extra on improving the quality of life for them. My grandchildren play sports, and I want to be able to afford to buy them more nutritious foods, but those are the foods that are most expensive.

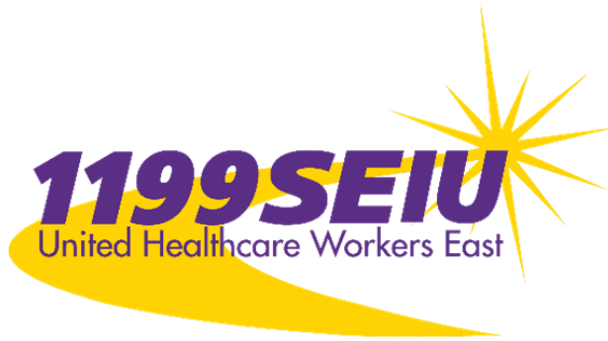
Healthcare workers are tired of being overworked and underpaid. We need to be able to care for our loved ones like we care for yours. Please vote yes on SB679/HB933. Thank you.

Sincerely, Ditanya Rosebud

Holly Ward SB679HB933 FAV.pdf

Uploaded by: Brige Dumais

Position: FAV



Testimony on SB679/HB933
The Nursing Home Care Crisis Transparency Act of 2025
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Holly Ward and I am Geriatric Nursing Assistant in a long-term care facility and a member of 1199. I support SB679/HB933: The Nursing Home Care Crisis Transparency Act because the state should have more oversight on how nursing homes spend the public dollars they are allocated—dollars that are meant for resident care and worker wages & benefits.

Low wages mean high turnover and a staffing crisis. If long-term care facilities are unable to retain workers, what will older adults and people with disabilities do to survive? Long-term care is important because no one foresees that they will need this kind of assistance. The residents do not choose to be there. I love my job because I provide them with empathy and compassion.

We need legislators to realize that as medical providers, we put most of our lives into these residents. It is shameful that we are paid such low wages after all the sacrifices that we make. Our care team is burnt out with overwhelming workloads, dangerous staffing shortages, and the emotional toll of caring for residents facing isolation, sickness, and death. We do not receive the respect that we deserve when these facilities would not run without us. Low pay requires me to subsidize my income and rely on assistance such as food stamps.

Transparency about how nursing home management allocates its money is good public health policy and a matter of racial equity. The direct care workforce in nursing homes is primarily Black women over age 40. We are not only failing to attract new workers to these jobs, but we are also trapping those who are currently in this workforce in poverty. Vote YES on SB679/HB933. Thank you.

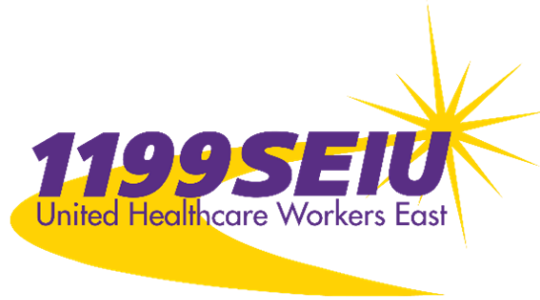
Sincerely,

Holly Ward

Kirsathl Kennedy SB679HB933 FAV.pdf

Uploaded by: Brige Dumais

Position: FAV



Testimony on SB679/HB933
The Nursing Home Care Crisis Transparency Act of 2025
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Kirsathl Kennedy. I work as Geriatric Nursing Assistant at a nursing home, and I am a member of 1199SEIU, United Healthcare Workers East. I support SB679/HB933: The Nursing Home Care Crisis Transparency Act of 2025 and urge the Committee to issue a favorable report.

Providing care has always been a part of my life since I was young. Growing up, I saw my grandmother take care of our family members. When her health declined, I helped my mom, who is also a GNA, take care of my grandma. This work is personal to me, and I believe that we need better care infrastructures that can ensure we can take care of our loved ones with love, dignity, and support.

I've worked over 60 hours a week with take home pay of about \$800. This is barely enough to pay my rent and all my bills. Not only am I working night shifts and long hours, but there is also always a shortage of GNAs. That means that, while the state standard staff to patient ratio is 1:40, there are weeks where I am taking care of about 60 patients. Even if the state standard is too low, we need more GNAs so that every patient is getting quality care.

It was already bad before COVID-19, but the pandemic really burnt us out and showed us how little the system really cares about us or our patients. We were overworked, underpaid, and at risk of spreading COVID-19 all while trying to take care of our families when we got home. It's not just nurses, our housekeeping and dietary aides in the nursing homes are the most understaffed. It takes longer for rooms to get disinfected and cleaned, and patient mealtimes are impacted as well.

I remember a specific patient who came into the nursing home relatively healthy and mobile. He would go on walks around the building, but soon he started getting bed sores and became completely bed-ridden. I have seen patients die because management did not ensure we had the appropriate number of staff on call.

Patients are dying and will continue to die in heartbreaking and inhuman conditions if we let our long-term care system continue to put profit over people. Vote YES on SB679/HB933.

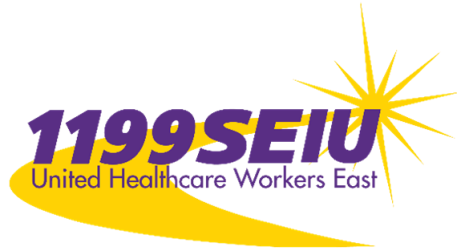
Sincerely,

Kirsathl Kennedy

Pat Walker SB679HB933 FAV.pdf

Uploaded by: Brige Dumais

Position: FAV



Testimony on SB679/HB933
The Nursing Home Care Crisis Transparency Act of 2025
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Pat Walker, I am a Geriatric Nursing Assistant (GNA) at a long-term care facility in Montgomery County, and a member of 1199SEIU United Healthcare Workers East. I've been a GNA in long-term care for 23 years. I urge you to issue a favorable report on SB679/HB933: The Nursing Home Care Crisis Transparency Act of 2025 to investigate how nursing homes spend the public dollars they receive. Knowing that vital information can help solve the short staffing crisis in long-term care.

I work the 7am-3pm shift, which is the most difficult shift because of all the things that need to be completed in that timeframe. When I clock in, I do rounds to make sure everyone is breathing, go get my daily assignments, and give residents showers or hand baths. This must be finished in time to feed them breakfast at 8:45am. After breakfast, I help get the residents out of bed and do linen and Depends changes by 12pm when we start serving lunch. Then the cycle repeats. Before I clock out, I also must document every interaction with every resident.

We have 15-20 patients per GNA in my facility, which is too many for one GNA to care for at one time. If multiple residents ring their alarm indicating they need assistance at the same time, they are left to wait in bed because we literally cannot be in two places at once. That means residents develop ulcers and bedsores, and they become very stressed out.

Short staffing is as stressful for the workers as it is for the residents. When I look around at my coworkers who have been doing this work for 40+ years, I notice that every single one of them walks with a limp or has some other physical ailment caused by the toll working short takes on our bodies. Our mental health suffers too because there is no outlet for the stress we experience on the job. We just have to grin and bear it because we don't want that stress to impact residents or our coworkers.

Please vote YES on SB679/HB933. Thank you.

Sincerely,

Pat Walker

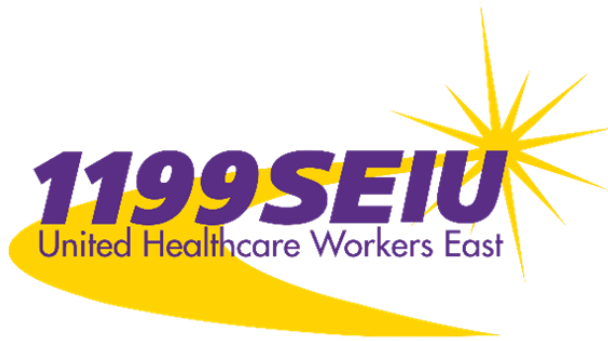
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Commented [2R1]: Thanks! I think it's supposed to say "bed pan"

Rhonda White SB679HB933 FAV.pdf

Uploaded by: Brige Dumais

Position: FAV



Testimony on SB679/HB933
The Nursing Home Care Crisis Transparency Act of 2025
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Rhonda White. I am a certified medicine aide at a long-term care facility, and a union delegate for 1199. I support SB679/HB933: The Nursing Home Care Crisis Transparency Act. This bill would help fix the staffing crisis because insight into nursing home spending will improve working conditions and quality of care for our residents.

Healthcare workers made sacrifices on the frontlines of COVID-19. Some of us survived, others lost their lives, or left healthcare. Those of us still working are dealing with a short staffing crisis. This was a problem before the pandemic but is even worse now. In my facility we have one GNA to 20 patients. We provide high quality healthcare but can't be everywhere at once. This is bad for residents, and for workers too. When we don't have enough workers, our mental and physical health suffers. We are stuck in a cycle of not having enough workers, so many workers burn out and quit, then the short staffing cycle continues.

The root cause of the short staffing cycle is low wages. Recently, I was conducting a new hire orientation. When I told the new GNA what her wages would be, she told me she would "be right back" then I looked out the window and saw her driving away and never heard from her again. This is just one of many examples.

Legislators, you have the power to break this cycle. Vote yes on SB679/HB933. Healthcare workers care for you, please care for us. Thank you.

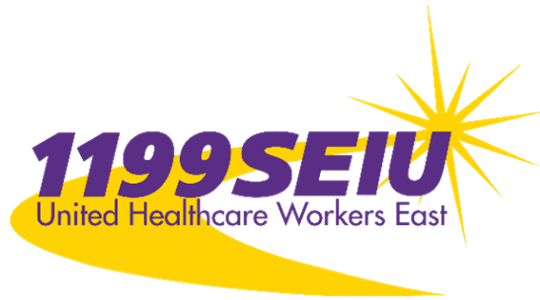
Sincerely,

Rhonda White

Teneia Wells SB679HB933 FAV.pdf

Uploaded by: Brige Dumais

Position: FAV



Testimony on SB679/HB933
The Nursing Home Care Crisis Transparency Act of 2025
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Teneia Wells, I am a Geriatric Nursing Assistant (GNA) at a Long Term Care facility in Baltimore County, and a member of 1199SEIU United Healthcare Workers East. I've been a GNA since 2001. I urge you to issue a favorable report on SB679/HB933: The Nursing Home Care Crisis Transparency Act of 2025.

I work the night shift, 11pm-7am. Our GNA to patient ratio is 1:22. Overnight we have 12+ residents that need Dialysis treatment. When residents need to be moved out of bed, we need two GNAs to move them safely. With short staffing, that means residents are laying in bed for too long waiting for two GNAs to be available at the same time, which causes bedsores and other health issues. In addition to moving residents from bed to dialysis, we are also responsible for linen changes and colonoscopy bag changes.

In order to do the daily living activities that improve quality of life for our residents like we used to do before the short staffing crisis (for example: socializing with residents), we would need twice as many GNAs. I've been caring for many of my residents for over a decade. They are like family to me. It is heartbreaking to see their quality of life decline because of short staffing.

We all want to be able to go the extra mile for our residents, but management is underpaying workers, keeping us constantly short staffed. I've had several coworkers quit because of the low pay. They took jobs at Amazon and WalMart where the pay is comparable because working at those places is less stressful than constantly working short staffed in healthcare.

The short staffing crisis in Long Term Care impacts EVERYONE because you never know who will be laying in that bed someday. It could be me, it could be you, it could be a loved one. Being "able bodied" is temporary and we ALL need healthcare. Please vote YES on SB679/HB933. Thank you.

Sincerely,

Teneia Wells

SB 679 - Nursing Homes - Direct Care Wages and Ben

Uploaded by: Donna Edwards

Position: FAV



MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO

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**SB 679 - Nursing Homes - Direct Care Wages and Benefits and Cost Reports
(Nursing Home Care Crisis Transparency Act)
Senate Finance Committee
February 18, 2025**

SUPPORT

**Donna S. Edwards
President
Maryland State and DC AFL-CIO**

Madame Chair and members of the Committee, thank you for the opportunity to submit testimony in support of SB 679. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 300,000 union members, I offer the following comments.

Nursing homes rely on public funding through Medicare and Medicaid, but Maryland does not have a transparent process in place to track exactly how public dollars are being spent. A study done by economists Ashvin Gandhi and Andrew Olenski found that nursing homes hide nearly 63% of profits, often diverting millions of dollars of public reimbursement to private personal profit.¹ This, in turn, significantly limits the money available to support staff and fund the resources needed for quality resident care.

SB 679 improves nursing home transparency by mandating two things. First, it sets a certain percentage of revenue that must be expended on direct care wages and benefits, ensuring that public dollars are going to where they are actually needed. Second, it requires nursing homes to submit an annual cost report that shows how they are spending their money and how it impacts wages. This system will enhance accountability as it requires nursing homes to collect accurate information while establishing penalties for failure to submit a report or pay the wages in the required amount.

This measure is not unfamiliar— states such as Massachusetts, New Jersey, and New York have all recently passed similar legislation to establish spending requirements to prioritize staffing

¹ Ashvin Gandhi and Andrew Olenski, "Tunneling and Hidden Profits in Healthcare." July 2024.

needs and improve nursing home conditions. Research shows that inadequate nurse staffing has a direct correlation to care that impacts areas such as length of hospital stays, patient dissatisfaction, and hospital readmission.² However, where there are appropriate levels of nursing staff, we reduce preventable patient harm. If nursing facilities spend their hidden profits on staffing and retaining staff, these ratios would significantly increase, creating a safer and more effective environment.

As our state looks to tackle a growing healthcare workforce shortage, using data to ensure that nursing home funds are being used on direct care wages and benefits is not just about fairness, but about preventing abuse and neglect due to severe understaffing.

For these reasons, we urge a favorable vote on SB 679.

² Katie Boston-Leary, Merton Lee, Sarah E. Mossburg, "Patient Safety Amid Nursing Workforce Challenges." Patient Safety Network. April 2024.

MLAW Testimony - SB679 - Nursing Home Care Crisis

Uploaded by: Jessica Morgan

Position: FAV



Bill No: SB679
Title: Nursing Homes - Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act)
Committee: Finance
Hearing: February 18, 2025
Position: FAVORABLE

The Maryland Legislative Agenda for Women (MLAW) is a statewide coalition of women's groups and individuals formed to provide a non-partisan, independent voice for Maryland women and families. MLAW's purpose is to advocate for legislation affecting women and families. To accomplish this goal, MLAW creates an annual legislative agenda with issues voted on by MLAW members and endorsed by organizations and individuals from all over Maryland. **SB679 - Nursing Homes - Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act)** is a priority on the [2025 MLAW Agenda](#) and we urge your support.

SB679 will ensure that 75% of skilled nursing facility revenue goes towards direct care. This is an important step to improving state oversight of public dollars and positively impact both job and care quality. Lack of oversight of public dollars contributes to high staff turnover, low quality jobs, and poor quality of care. Of the nursing home industry's \$140 billion in total annual revenue, payments from public programs (primarily Medicaid and Medicare) constitute 66 percent.

Nursing home owners and operators routinely pay their related parties in excess of reported costs, in some instances by nearly 1200%. Due to lack of disclosure of related party owners, these self-owned organizations (management companies, staffing companies, insurance companies, and therapy companies) often obscured how money was spent. Related parties make nursing homes look less profitable, while a closer look reveals that profits may be hidden in related party transactions. Cost reports do not capture enough information on related party transactions to enable CMS to fulfill its regulatory obligation to ensure taxpayer dollars are going towards care and not profits to owners and operators.

90% of residential long term care workers are women. 36% of these healthcare workers have a child below the age of 18. In Maryland, the average hourly wage is \$15.43 for nursing assistants in skilled nursing facilities. While in DC, it is one of the top highest in the country – at \$18.43. Many are leaving long term care to earn more in other industries. The median annual turnover rate is at 51.2%. Many direct care staff including custodial services, dietary aides, CNAs, and GNAs are working at multiple long term care facilities to earn more money. Staffing shortages are expected to grow as workers find better pay in other industries. Short staffing has caused high need nursing home residents to be left unattended in substandard conditions.

Under this bill, facilities will have to report they have met the 75% direct care cost requirement through their cost reports. Consumers, advocates, and researchers will be able to use this information when evaluating nursing homes and use of Medicaid and Medicare dollars. Further, the increased transparency and scrutiny of cost reports could incentivize nursing homes to use public dollars more prudently and ensure those dollars are being used for direct resident care.

When women are supported through structural changes like adequate staffing and higher pay at the workplace, it can improve their overall wellbeing and ability to meet personal and family needs. Strengthening oversight of nursing home revenue will have a direct impact on quality care for our most vulnerable residents who are aging and with disabilities.

We urge you to support of **SB679**.

Maryland Legislative Agenda for Women
102 W. Pennsylvania Avenue, Suite 100 • Towson, MD 21204 • 443-519-1005 phone/fax
mdlegagenda4women@yahoo.com • www.mdlegagendaforwomen.org

MLAW 2025 Supporting Organizations

The following organizations have signed on in support of our 2025 Legislative Agenda:

1199 SEIU United Healthcare Workers East
AAUW Anne Arundel County
AAUW Garrett Branch
AAUW Howard County
AAUW Kensington-Rockville Branch
AAUW Maryland
Anne Arundel County NOW
Bound for Better, advocates for Domestic Violence
Calvert County Democratic Womens' Club
Charles County Commission for Women
Child Justice, Inc.
City of College Park MD
Court Watch Montgomery
Delta Sigma Theta Sorority North Arundel County Alumnae Chapter
FinnCORE, Inc.
Frederick County Commission for Women
Interfaith Action for Human Rights
Kids for Saving Earth
Maryland Chapter, National Organization for Women
Maryland Coalition Against Sexual Assault
Maryland Network Against Domestic Violence
Montgomery County Commission for Women
Montgomery County, MD, NOW
National Coalition of 100 Black Women, Inc., Anne Arundel County Chapter
NCBWSOMD
Salam Sudan Foundation (SSF)
ShareBaby, Inc.
Stella's Girls Incorporated
SUB&S LLC
The Rebuild, Overcome, and Rise (ROAR) Center of UMB
Trans Maryland
Unrooted Culture
Women of Honor International
Women's Equality Day Celebration across Maryland Coalition
Women's Equity Center and Action Network (WE CAN)
Women's Law Center of Maryland
Zonta Club of Annapolis

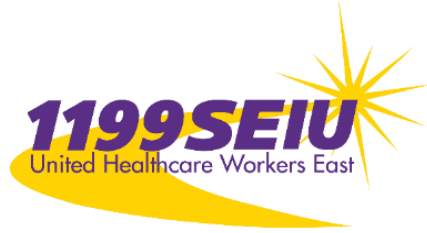
Maryland Legislative Agenda for Women

102 W. Pennsylvania Avenue, Suite 100 • Towson, MD 21204 • 443-519-1005 phone/fax
mdlegagenda4women@yahoo.com • www.mdlegagendaforwomen.org

1199SEIU SB697-Nursing Home Care Crisis Transparen

Uploaded by: Loraine Arikat

Position: FAV



SB 697

Nursing Homes - Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act)

Position: Favorable

Dear Chair Beidle and members of the Senate Finance Committee:

My name is Ricarra Jones, and I am the political director of 1199SEIU United Healthcare Workers East in Maryland/DC. 1199SEIU is the largest healthcare union in the nation, and here in Maryland we have over 10,000 members working in hospitals, long term care settings, and federally qualified health centers.

SB697 aims to improve nursing home transparency by ensuring Maryland's cost reports collect accurate and appropriate information to be able to establish direct care ratios – requirements that facilities spend specific and designated percentages of their reimbursement or revenue on resident care and limiting profits. There is precedent for establishing spending requirements that prioritize direct care in states like Massachusetts, New Jersey, and New York. In 2020, Massachusetts implemented a direct care cost quotient as a regulatory requirement to hold facilities financially accountable for prioritizing support of direct care staff on at least 70% of revenue spent. In 2021, New Jersey passed legislation establishing a direct care ratio requirement that calls for 90% of revenue spent on direct care. In the same year, New York passed legislation mandating nursing homes spend 70% of operating revenue on direct care resident care, of which 40% must be spent on direct care staff, while also capping profits at 5%.

Nursing homeowners and operators hide their profits by making inflated payments to companies they own and control, which are called related parties. The diversion of millions of dollars of public reimbursement to private personal profit through payments to related parties limits the money available for resident care and results in residents' poor care, suffering, and death. At present, according to the HHS Office of Inspector General's 2024 report, facilities pay [40% of their revenues](#) to related parties.

Nursing homes rely mostly on public funding through Medicare and Medicaid, and yet, stakeholders in Maryland do not have a clear picture on how public dollars are used in our nursing homes. The spending decisions made by Maryland's nursing home owners can often

be as opaque as the ownership of those facilities themselves. In 2023, 1199SEIU supported legislation to address the increasingly rapid pace of Maryland's nursing home acquisitions. Maryland ranks 5th highest in the nation for nursing home acquisitions with a 33 percent turnover of nursing homes. A 2023 White House Fact Sheet found that PE owned nursing home residents are 11.1% more likely to have a preventable Emergency Department visit and 8.7% more likely to have preventable hospitalization. As noted in a final report of the Acquisitions Workgroup of the Maryland Health Care Commission, Maryland is an attractive target for private equity firms. The complicated ownership structures of nursing homes can make it easier for these facilities to siphon dollars away from direct care.

SB 697 will work with Maryland Department of Health to analyze nursing home expenditure and direct care expenditure to inform future policy on spending requirements. Too many seniors and families are accepting substandard care because their nursing home tells them that they cannot afford to hire more staff. In “[Tunneling and Hidden Profits in Health Care](#)” (July 13, 2024), economists Ashvin Gandhi and Andrew Olenski analyzed 24 years of Medicaid cost report data in Illinois and found that nursing facilities hid 62.9% of their profits by paying inflated prices to related parties, largely in real estate and management fees. They calculated that if nursing facilities spent their hidden profits on staffing, mean staffing ratios would significantly increase – by nearly 0.23 hours per resident day (HPRD) of registered nurse (RN) time, a 28.9% increase, or by 0.47 HPRD of certified nurse aide (CNA) time, a 21.0% increase.

Analyzing the data needed to make sure nursing home funds are being used on direct care wages and benefits is fundamental to protecting our state’s most vulnerable residents from abuse and neglect. For those reasons, we support SB 697 and urge a favorable report.

Sincerely,

Ricarra Jones
Political Director
1199 SEIU United Healthcare workers East.
Ricarra.jones@1199.org

SB 679 - FAV - FIN - ALZ Association.pdf

Uploaded by: Megan Peters

Position: FAV



Bill: SB 679 - Nursing Homes - Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act)

Committee: Finance Committee

Position: Favorable

Date: February 18, 2025

On behalf of the 127,200 Marylanders living with Alzheimer's disease and their 247,000 caregivers, the Alzheimer's Association supports SB 679 - Nursing Homes - Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act). This bill aims to improve nursing homes' fiscal transparency and ensure that a fair percentage of revenue is spent on wages and benefits for direct care workers.

The largest segment of the workforce that supports people living with dementia is the direct care workforce.¹ These workers – consisting of personal care aides, home health aides, nursing assistants, and more – assist with activities of daily living, such as bathing and eating, and play a broader role in promoting well-being for those living with dementia. Many of these workers interact in nursing homes with people living with dementia – as of 2024, an estimated 46% of nursing home residents nationally have Alzheimer's or other dementia.²

More direct care workers will be needed in the years ahead as Maryland's population ages and the prevalence of dementia increases. Currently, the direct care workforce faces staffing challenges driven by persistently low compensation. The median annual wage for Maryland nursing assistants was \$35,760 in 2022, and short staffing can lead to poor quality of care. These issues are especially concerning as the acuity levels of care have increased in recent years for nursing home residents. Maryland must take action to address concerns among this workforce and the impacts on our most vulnerable adults.

SB 679 takes a step to addressing these concerns. Currently, there is limited transparency on how Maryland's nursing homes' spend their revenue (including the revenue from Medicare and Medicaid funding). SB 679 establishes increased fiscal transparency for nursing homes to ensure Marylanders are aware of how much money is being invested in direct care and worker wages.

SB 679 is an important step to improve jobs for our direct care workers in nursing homes and improve the safety and the quality of care for some of Maryland's most vulnerable adults. The Alzheimer's Association urges a favorable report on SB 223. Please contact Megan Peters, Director of Government Affairs at mrpeters@alz.org with any questions.

¹ 2024 Alzheimer's Disease Facts and Figures

<https://www.alz.org/getmedia/76e51bb6-c003-4d84-8019-e0779d8c4e8d/alzheimers-facts-and-figures.pdf>

² National Center for Health Statistics. Biennial Overview of Post-acute and Long-term Care in the United States. Available at: <https://data.cdc.gov/d/wibz-pb5q>

SB679 - PJC - Support.pdf

Uploaded by: Sam Williamson

Position: FAV



Building a Just Society

Sam Williamson, Attorney
Public Justice Center
201 North Charles Street, Suite 1200
Baltimore, Maryland 21201
410-625-9409, ext. 234
williamsons@publicjustice.org

SB679: Nursing Homes - Direct Care Wages and Benefits and Cost Reports
(Nursing Home Care Crisis Transparency Act)

Senate Finance Committee, February 18, 2025

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 SB679, which would help stabilize our nursing facility workforce.**

Maryland nursing facilities are experiencing a staffing crisis. The average nursing staff turnover in Maryland nursing facilities is a staggering 49.5% per year.¹ Turnover rates this high are associated with elevated levels of abuse towards residents.²

Studies show that staffing instability among licensed practical nurses and certified nurse aides is "red flag for quality."³ Staff instability directly contributes to worse health outcomes among nursing facility residents. High rates of instability are tied to short-term residents failing to improve sufficiently to discharge back to the community, and to long-term residents having worsened independent mobility.

The leading causes of staff turnover are low wages and lack of benefits. Over one-third of certified nursing assistants in nursing facilities rely on public assistance to make ends meet. 40% of staff do not have employer-sponsored healthcare.⁴ We must do more to ensure that those who care for our loved ones can sustain this lifesaving work. We must invest in our care workforce.

For these reasons, the PJC **SUPPORTS SB679** and urges a **FAVORABLE** report. Should you have any questions, please call Sam Williamson at 410-625-9409 ext. 234.

¹ *Nursing Home Staff Turnover: Maryland*, CareListings, <https://carelistings.com/statistics/snf-staff-turnover/md> (based on 2023 data from the Centers for Medicare & Medicaid Services).

² *The Skilled Nursing Workforce: 2025 Report*, MissionCare Collective, p.7 (2025), <https://www.missioncare.com/hubfs/Skilled-Nursing-Workforce-Report.pdf>.

³ Dana B. Mukamel, et al., *Association of Staffing Instability with Quality of Nursing Home Care*, JAMA Netw Open. 2023;6(1):e2250389. doi:10.1001/jamanetworkopen.2022.50389, <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2800160>.

⁴ *The Skilled Nursing Workforce*, p. 9.

SB 0679 Testimony_FAV_DRM.pdf

Uploaded by: Sandy Balan

Position: FAV

Finance Committee**Senate Bill 0679: Nursing Homes – Direct Care Wages and Benefits and Cost Reports
(Nursing Home Care Crisis Transparency Act)****February 18, 2025****Position: Support**

Thank you Madame Chair Beidle and Committee Members for the opportunity to provide written testimony for Senate Bill 0679: Nursing Home Care Crisis Transparency Act. 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 into their communities, live independently and access high-quality, affordable health care.

The pivotal 1999 *Olmstead v. LC* Supreme Court decision prohibited the unnecessary segregation of individuals with disabilities and affirmed the right of people with disabilities to live within their community.¹ However, some individuals with disabilities still reside within nursing homes to receive the care they need. As of 2020, in Maryland, 1.3% of people with disabilities between the ages of 18 and 64 still reside within nursing homes²; the percentage is higher for people with disabilities over the age of 65, at 7.58%.³

Unfortunately, within these facilities, residents, regardless of their disability, experience a low quality of care that impacts their overall well-being. As of November 2024, over 25% of nursing homes in Maryland have been found by the Office of Health Care Quality to have serious deficiencies that caused immediate jeopardy to the health and safety of the residents.⁴ Past reports include failing to timely administer physician orders for substance use disorder (SUD) treatment, which ultimately led to overdoses,⁵ and permitting the elopement of a resident with severe dementia and anxiety onto the main road, where she subsequently “hitched” a ride with an unknown female motorist.⁶

Though there are multiple causes for such deficiencies, a primary driver includes insufficient investment in the direct care workforce. Nursing homes are severely understaffed, with

¹ *Olmstead v. LC*, 527 U.S. 581 (1999).

² Percentage of Working Age People with Disabilities Still Living In Nursing Homes, ADA PARC, <https://adata.org/sites/adata.org/files/files/PARC%20NH%20percent%20FactSheet.pdf>

³ Percentage of Older Adults with Disabilities Living in Nursing Homes, ADA PARC, <https://adata.org/sites/adata.org/files/files/NH%2065%20Percent%20FactSheet.pdf>

⁴ Nursing Home Inspect. ProPublica <https://projects.propublica.org/nursing-homes/state/MD> Maryland Nursing Homes | ProPublica

⁵ Statement of Deficiencies for Provider 215085, Department of Health and Human Services, Center for Medicare and Medicaid Services (Survey Data 11/20/23), <https://www.medicare.gov/care-compare/inspections/pdf/nursing-home/215085/health/complaint?date=2023-11-20>

⁶ Statement of Deficiencies for Provider 215226, Department of Health and Human Services, Centers for Medicare and Medicaid Services (Survey Data 1/11/24), <https://www.medicare.gov/care-compare/inspections/pdf/nursing-home/215226/health/complaint?date=2024-01-11> (1/11/24, Advanced Rehab at Autumn Lake)

Maryland's statewide average for staffing being 3.9 hours per resident per day.⁷ Additionally, the statewide average for nursing staff turnover remains high, at 44.3%; at deficient nursing homes, this turnover rate is even higher⁸. The staffing shortage, coupled with the high rate of staff turnover, leads to a workforce that cannot adequately provide for the needs of nursing home residents. Ultimately, this inadequacy creates a lower quality of care that impedes a resident's ability to access medically necessary services. By ensuring that at least 75% of a nursing home's total nursing and residential care revenue go to direct care staff wages and benefits, Senate Bill 0679 will help to ensure that residents are given quality care by requiring that nursing homes sufficiently invest in their direct care workforce. SB 0679 will also require nursing homes to file an annual cost report with the Maryland Department of Health, starting in 2026, to ensure compliance with the bill's wage and benefits investment. This critical investment and oversight through annual reporting will subsequently improve the safety, quality of care, and overall quality of life for nursing home residents.

In a healthcare system that is already not easily accessible for individuals with disabilities, unnecessary barriers need to be broken down. The nursing home industry's inability to provide quality care to their residents, especially individuals with disabilities, serves as one of those obstacles that must be removed. Senate Bill 0679 serves as an important step forward to ensuring that such an obstacle is removed, allowing for nursing home residents with disabilities in Maryland to access the quality care that they not only need, but also deserve. In turn, Maryland can help to create a future that allows people with disabilities to feel respected and equal in society.

For these reasons, DRM strongly supports Senate Bill 0679 and urges a favorable report.

Respectfully,

Sandy Balan, Esq
Staff Attorney
Disability Rights Maryland
1500 Union Avenue, Suite 2000
Baltimore, MD 21211
SandyB@DisabilityRightsMD.org
Phone Number: (443) 692 7404

⁷ Nursing Home Inspect, ProPublica, <https://projects.propublica.org/nursing-homes/state/MD>

⁸ Nursing Home Inspect, ProPublica, <https://projects.propublica.org/nursing-homes/state/MD>

SB 679 NH Care Crisis Transparency Act.FAV.AARP.pdf

Uploaded by: Tammy Bresnahan

Position: FAV



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SB 679 Nursing Home Direct Care Wages and Benefits Care Crisis Transparency Act
Senate Finance Committee
February 18, 2025
FAVORABLE

Good Afternoon, Chair Beidle and Members of the Committee; my name is Tammy Bresnahan, and I serve as the Director of Advocacy for AARP Maryland. On behalf of our nearly 850,000 members across the state, I submit this testimony in strong support of SB 679 Nursing Home Care Crisis Transparency Act. We thank Senator Rosapepe for introducing this important piece of legislation.

AARP Maryland is dedicated to ensuring that older adults receive high-quality, safe, and dignified care, particularly in nursing homes where some of our most vulnerable citizens reside. The need for greater transparency in nursing home funding, as well as improved wages and benefits for direct care workers, is an urgent issue affecting thousands of Marylanders and their families.

The Need for Higher Direct Care Wages and Benefits

Older Marylanders who rely on nursing home care deserve to be treated with dignity and respect. However, chronic understaffing and high turnover rates in these facilities often compromise the quality of care. Research consistently shows that nursing homes with better staffing levels provide better care outcomes, reducing avoidable hospitalizations, infections, and adverse health events.

A major factor contributing to staffing challenges is the inadequate compensation provided to direct care workers. These frontline caregivers—certified nursing assistants (CNAs), geriatric nursing assistants (GNAs), and other essential staff—are the backbone of nursing home operations. Yet, many of them struggle to earn a living wage or access adequate benefits. When wages remain low, retention suffers, and the continuity of care for older Marylanders is disrupted.

By requiring nursing homes to allocate at least a specified percentage of their total nursing and residential care revenue toward direct care wages and benefits, this legislation helps ensure that taxpayer and private funds are used to improve workforce stability and enhance resident care.

The Importance of Financial Transparency

AARP Maryland also strongly supports the requirement that nursing homes submit annual cost reports to the Maryland Department of Health. Greater financial transparency is necessary to ensure that public and private resources are being used to directly benefit residents, rather than disproportionately funding administrative costs or profits.

Without clear accountability measures, it is difficult to track whether funds intended for resident care are being used to support high-quality services. Cost reporting requirements will provide lawmakers, regulators, and the public with essential insights into how nursing homes allocate their budgets.

Conclusion

The Nursing Home Care Crisis Transparency Act is a critical step in addressing the ongoing care crisis in Maryland's nursing homes. By raising direct care wages and increasing financial accountability, we can improve the quality of care for older Marylanders while supporting the dedicated workforce that serves them.

AARP Maryland urges the General Assembly to support this bill and take meaningful action to protect nursing home residents and strengthen our long-term care system.

Thank you for your time and consideration. I respectfully urge a favorable report on this important legislation. For follow up or questions, please contact me at tbresnahan@aarp.org or by calling 410-302-8451.

MDOA Written Testimony - FAV with amendments - Dir

Uploaded by: Carmel Roques

Position: FWA



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

Date: February 14, 2025

Bill Number: SB679

Bill Title: Nursing Homes – Direct Care Wages and Benefits and Cost Reports
(Nursing Home Care Crisis Transparency Act)

Committee: Senate Finance

MDOA Position: FAVORABLE WITH AMENDMENTS

The Department of Aging (MDOA) submits this **favorable with amendments** testimony for Senate Bill (SB) 679 - Nursing Homes – Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act).

The Maryland Department of Aging (MDOA) serves as Maryland’s State Unit of Aging, administering federal funding for core programs, overseeing the Area Agency on Aging (AAA) network at the local level that provides services, and planning for Maryland’s growing older adult population. Pursuant to an Executive Order, in January 2024, MDOA launched the Longevity-Ready Maryland Initiative,¹ which will build upon existing efforts across state agencies, private and philanthropic sectors, and other stakeholders to tackle real-life challenges throughout the lifespan, taking a whole-of-life and whole-of-government approach.

MDOA supports the concept of mandating a minimum level of public funding to direct care workers in nursing homes that is contained in Senate Bill 679 as introduced. Paying direct care workers a living wage improves patient outcomes and strengthens the caregiving workforce, which is essential for Maryland’s longevity-readiness. State action on this issue in the future is particularly important given uncertainty around the Centers for Medicaid Services’ recently finalized Ensuring Access to Medicaid Services Final Rule.²

¹ More on Longevity-Ready MD Initiative available at: <https://aging.maryland.gov/Pages/LRM.aspx>

² Available at: <https://www.cms.gov/newsroom/fact-sheets/ensuring-access-medicaid-services-final-rule-cms-2442-f> (requiring that states ensure a minimum of 80% of Medicaid payments for homemaker, home health aide, and personal care services be spent on compensation for direct care workers furnishing these services, as opposed to administrative overhead or profit)



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

MDOA supports the conversion of this bill into a study as a positive first step as well as all additional amendments that the Maryland Department of Health requests. MDOA supports strengthening the cost-reporting and data collection process for nursing homes to better inform the public and best inform future rate and enforcement requirements.

By prioritizing the state's commitment to high-quality care in nursing homes, SB 679 supports Maryland's commitment to building a longevity-ready future. For these reasons, the Department of Aging respectfully urges a **favorable report with amendments for Senate Bill 679**. If you have any questions, please contact Andrea Nunez, Legislative Director, at andrea.nunez@maryland.gov or (443) 414-8183.

Sincerely,

A handwritten signature in blue ink that reads "Carmel Roques". The signature is fluid and cursive, with the first name "Carmel" and last name "Roques" clearly visible.

Carmel Roques
Secretary
Maryland Department of Aging

MLA Testimony Direct Care Wages SB 679.pdf

Uploaded by: Christina Moore

Position: FWA

SB 679
Nursing Homes - Direct Care Wages and Benefits and Cost Reports
(Nursing Home Care Crisis Transparency Act)
In the Finance Committee, Hearing on February 18, 2025
Position: FAVORABLE, WITH AMENDMENT

Maryland Legal Aid submits its written and oral testimony supporting with amendments at the request of Karrie Craig, State Long Term Care Ombudsman.

Maryland Legal Aid (MLA) asks that the Committee report **favorably and pass SB 679 with amendments**, which would require skilled facilities in Maryland to spend at least 75% of its revenue on direct care workforce wages and benefits for nursing, dietary, restorative therapy, and social work staff. The bill holds facilities accountable by requiring them to submit cost reports to the Maryland Department of Health. We believe this bill is a crucial step toward ensuring delivery of care remains prioritized over costs, particularly as private equity operators become more prevalent in the state.¹

MLA is a non-profit law firm that provides free legal services to the State's low-income and vulnerable residents. Our twelve offices serve residents in each of Maryland's 24 jurisdictions and handle a range of civil legal matters, including representation of adults residing in nursing home and assisted living facilities. We represent residents in cases relating to health care access as well as illegal discharges from skilled nursing and assisted living facilities. Although federal and state law require nursing homes to provide "treatment, care, and services that are in an environment that promotes maintenance or enhancement of each resident's quality of life," many of the individuals we represent have expressed significant and substantial concerns related to pressure ulcers they have developed because nursing staff fail to tend to them, dietary restrictions that fail to be accommodated, and/or a lack of physical and restorative therapies.² In addition, high turnover of social workers within facilities creates a barrier to discharge when the resident desires to leave these unacceptable and deplorable conditions. Ultimately, our clients who rely on care in skilled nursing facilities benefit from staff stability.

We support this bill although we recommend a couple of clarifying amendments. First, we recommend that "nursing home and residential care revenue," be defined in the statute relative to cost of care.³ We also recommend that the list of direct care professionals include behavioral health workers to the extent they are not otherwise fully reimbursed through the Behavioral Health and Medical Care Program Administrations.⁴

¹ <https://privateequityrisk.org/state/maryland/>

² [Md. Code Regs. 10.07.09.08](#) , [42 CFR 483.40](#), [Md. Code, Health-Gen. § 19-345.1](#)

³ The definition of "nursing home and residential care revenue," or "revenue" is not contained in Md. Code, Health-Gen. § 16-101 or proposed Md. Code, Health-Gen. § 16-209.

⁴ Reimbursement Rate for Behavioral health services: [Md. Code, Health-Gen. § 16-201.3](#)

We believe that investments in direct care staff through this bill will increase quality of care.

Maryland Legal Aid strongly urges the Committee to issue a FAVORABLE report and passage with amendments of SB679. If you have any questions, please contact Christina Moore, (410) 951-7727, cmoore@mdlab.org.

RECOMMENDED AMENDMENT – MARYLAND LEGAL AID

15. **Article – Health-General**

16. **16-209.**

17. **(A) IN THIS SECTION, “DIRECT CARE WAGES AND BENEFITS” MEANS THE**
18. **DIRECT CARE WORKFORCE WAGES AND BENEFITS FOR NURSING, DIETARY,**
19. **RESTORATIVE THERAPY, BEHAVIORIAL HEALTH STAFF, AND SOCIAL WORKER STAFF.**

20. **(B) “NURSING AND RESIDENTIAL CARE REVENUE” MEANS THE PROFIT GENERATED LESS**
EXPENDITURES ATTRIBUTABLE TO RESIDENT COST OF CARE.

21. **~~(B)~~ (C) A NURSING HOME SHALL EXPEND AT LEAST 75% OF ITS TOTAL NURSING**
22. **AND RESIDENTIAL CARE REVENUE FOR DIRECT CARE WAGES AND BENEFITS.**

SB 679 - MDH - FIN -LOSWA.docx (1).pdf

Uploaded by: Meghan Lynch

Position: FWA



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

February 18, 2025

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

RE: Senate Bill (SB) 679 - Nursing Homes – Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act) – Letter of Support with Amendments

Dear Chair Beidle and Committee Members:

The Maryland Department of Health (Department) respectfully submits this letter of support with amendments for Senate Bill (SB) 679 - Nursing Homes – Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act).

As drafted, SB 679 would require the Department to ensure that each nursing facility reimbursed by the Maryland Medical Assistance Program expends at least 75% of its total nursing and residential care revenue for wages and benefits of direct care workforce beginning June 1, 2025. Additionally, beginning September 2026, each year, each nursing facility would submit a cost report to the Department including wage disbursement documentation and any other information the Department determines necessary. The Department would also be responsible for taking enforcement action identified in the bill if nursing facilities fail to submit the required cost report; report inaccurately or inadequately; and fail to pay the wages in the required amounts.

The Department acknowledges and appreciates the bill's intention to address issues surrounding nursing home staffing and wages. Regarding the cost reporting provision, the Department is committed to strengthening the cost reporting and data collection process so that the Department and the public have better insight into current rates that could potentially inform setting rates and compliance thresholds in the future. The Department currently collects data from nursing facilities annually that informs rebasing of nursing facility rates every two years. Starting in fiscal year (FY) 2025, the report template for providers also includes additional data points, including breakdown of costs by the type of staff (e.g., registered nurse, licensed practical nurse, etc.). This will enable the Department to have greater insight into nursing facility costs. Additionally, the Centers for Medicare & Medicaid Services (CMS) finalized a regulation last

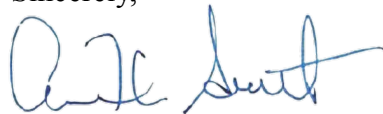
year¹ that will likely require additional amendments to reporting starting in 2028. CMS has said that guidance is forthcoming.

Because these reporting requirements are already in place and in the process of being amended to address new CMS regulations, the Department proposes to amend the bill to align with existing cost reporting requirements. If the bill is not aligned with the existing process, it will require additional Department and provider resources and time to modify systems that collect and report data for cost reporting.

The data from the new cost reporting process will bring new transparency that can then inform future rate and enforcement requirements. It would be premature prior to receiving the data to set any requirements around committing a certain amount of revenue to wages. Therefore, the Department proposes an amendment to remove the requirement for nursing facilities to report that 75% of their revenue is expended for wages and benefits of direct care workforce and requirement for new enforcement actions.

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.

Sincerely,

A handwritten signature in blue ink, appearing to read "Laura Herrera Scott".

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

1

<https://www.federalregister.gov/documents/2024/05/10/2024-08273/medicare-and-medicaid-programs-minimum-staffing-standards-for-long-term-care-facilities-and-medicaid>

In the Senate Finance Committee

AMENDMENTS TO SENATE BILL 679

(First Reading File Bill)

On page 1, strike the lines beginning with line 16 down through line 21, inclusive.

On page 2, strike the lines beginning with line 12 down through line 25, inclusive.

LeadingAge Maryland - 2025 - SB 679 - Nursing Home

Uploaded by: Aaron Greenfield

Position: UNF



576 Johnsville Road
Sykesville, MD 21784

TO: Finance Committee
FROM: LeadingAge Maryland
SUBJECT: Senate Bill 679, Nursing Homes - Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act)
DATE: February 18, 2025
POSITION: Unfavorable

LeadingAge Maryland respectfully requests an unfavorable report on Senate Bill 679, Nursing Homes - Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act)

LeadingAge Maryland is a community of more than 140 not-for-profit aging services organizations serving residents and clients through continuing care retirement communities, affordable senior housing, assisted living, nursing homes and home and community-based services. Members of LeadingAge Maryland provide health care, housing, and services to more than 20,000 older persons each year. Our mission is to be the trusted voice for aging in Maryland, and our vision is that Maryland is a state where older adults have access to the services they need, when they need them, in the place they call home. We partner with consumers, caregivers, researchers, public agencies, faith communities and others who care about aging in Maryland.

Senate Bill 679 mandates that nursing homes allocate at least 75% of their total nursing and residential care revenue toward direct care wages and benefits. Additionally, it requires annual cost reporting to the Maryland Department of Health. While we support increasing wages for nursing home workers, we have significant concerns regarding the bill's impact on providers and residents.

- Strain on Nursing Home Operations: Nursing homes are already grappling with workforce shortages and financial constraints, exacerbated by the COVID-19 pandemic. Requiring a rigid percentage allocation for wages may reduce funding for other essential services, such as food, maintenance, and administrative operations, ultimately impacting quality of care.

- Administrative Burden: The bill’s cost reporting requirements impose additional administrative demands on nursing homes, diverting resources away from direct resident care. Compliance with extensive reporting requirements may be costly and operationally challenging for providers. Furthermore, under current law, filing a cost report with the State of Maryland is required only if Maryland Medical Assistance days of care are 1,000 or greater. Some LeadingAge Maryland members never reach that 1,000 day threshold. However, this bill would require all skilled nursing facilities to file a cost report regardless of Medicaid census, placing a further burden on the facility.
- Punitive Enforcement Mechanisms: The bill authorizes the Maryland Department of Health to impose penalties, including recoupment of funds, corrective plans, and potential suspension or termination from Medicaid programs. These punitive measures could lead to unintended consequences, including reduced access to care for vulnerable populations and financial instability for providers.
- Unclear Wage Pass-Through Mechanism: While we support wage increases, the bill restricts who qualifies as “direct care” staff, potentially excluding essential personnel such as dietary workers, housekeeping staff, maintenance, and administrative employees who contribute to resident care and facility operations. A more comprehensive wage pass-through mechanism should include both direct and indirect care staff, ensuring equitable support across all roles.
- Challenges for Medicaid Providers: Medicaid providers already face chronic underfunding and rising costs, with limited ability to pass increased expenses onto consumers. The bill fails to account for operational costs beyond wages, such as rising costs of medical equipment, insurance, transportation, and facility maintenance.

LeadingAge Maryland supports efforts to enhance wages for nursing home workers but believes Senate Bill 679, as written, would have negative consequences for providers, staff, and residents.

For these reasons, LeadingAge Maryland respectfully requests an unfavorable report for Senate Bill 679.

For additional information, please contact Aaron J. Greenfield, 410.446.1992