



Building a Just Society

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SB663: Nursing Homes - Direct Care Wages and Benefits and Cost Reports

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Position: FAVORABLE

The Public Justice Center (PJC) is a not-for-profit civil rights and anti-poverty legal services organization that 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 in a safe, equitable workplace. **The PJC supports SB663, which would stabilize Maryland's nursing facilities workforce and save patient lives.**

Maryland nursing facilities are experiencing a staffing crisis. The average nursing staff turnover in Maryland nursing facilities is a staggering 49.3% per year.¹ Staffing instability among licensed practical nurses and certified nurse aides is "red flag for quality."² Turnover 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.

Maryland nursing facilities currently only spend 53.86% of their revenues on direct care staffing.³ This rate is far below leading states, such as New Jersey (requiring 90% of revenue to be spent on direct care and essential services), Massachusetts (75% of revenue to be spent on direct care), and New York (requiring 70% of operating expenses to be spent on direct care and limiting profits to 5% of expenses).⁴

Nursing facilities can afford to spend the 75% of revenues on direct care worker wages and benefits that SB663 requires. In the United States, the nursing facility industry has a profit margin of 8.84%,⁵ which is higher than the profit margin for all healthcare facilities (6.3%).⁶

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 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>.

³ *Nursing Home Costs: 2025 Report*, Maryland Department of Health (2025), <https://health.maryland.gov/mmcp/Documents/JCRs/2025/NHcostreportsJCRfinal10-25.pdf>.

⁴ NJ Rev Stat § 30:4D-7cc (2025); MA 101 CMR, § 206.12; NY Public Health Law § 2828.

⁵ *United States' Nursing Home Finances: Spending, Profitability, and Capital Structure*, Charlene Harrington, et al., 54 International Journal of Social Determinants of Health and Health Services 2 (2023), <https://journals.sagepub.com/doi/10.1177/27551938231221509>.

⁶ *Margins by Sector (US)*, New York University (Jan. 2026), https://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/margin.html.

By investing in wages and benefits for nursing facility workers, Maryland will attract and retain a dedicated workforce. 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.⁷ 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 SB663** and urges a **FAVORABLE** report. Should you have any questions, please call Sam Williamson at 410-625-9409 ext. 234.

⁷ *The Skilled Nursing Workforce: 2025 Report*, MissionCare Collective, p.9 (2025), <https://www.missioncare.com/hubfs/Skilled-Nursing-Workforce-Report.pdf>.