

SB663_Marylanders for Patient Rights_fav.pdf

Uploaded by: Anna Palmisano

Position: FAV

Marylanders for Patient Rights

MARYLANDERS FOR PATIENT RIGHTS REQUESTS A FAVORABLE REPORT ON SB663 Nursing Homes-Direct Care Wages and Benefits and Cost Reports

Marylanders for Patient Rights is the leading advocacy group for patients in our state. We strongly support SB663 which will enable effective policymaking to protect the health of nursing home residents. Basically, SB663 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).

SB663 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.

Importantly, SB663 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.

Please provide a favorable report on SB663 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 301-529-0946

SB663_FAV.pdf

Uploaded by: Donna Edwards

Position: FAV



MARYLAND STATE & D.C. AFL-CIO

Affiliated with the National AFL-CIO

Donna S. Edwards
President

Samuel Epps, IV
Secretary-Treasurer

📞 410.280.2233

📠 410.280.2956

📍 7 School Street
Annapolis, MD 21401-2096

SB 663 - Nursing Homes - Direct Care Wages and Benefits and Cost Reports

Senate Finance Committee

March 3, 2026

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 663. On behalf of our 700 affiliated unions, I offer the following comments.

SB 663 builds on the work the General Assembly began last year with SB 697, requiring the Maryland Department of Health (MDH) to assess nursing home spending so the State could get a clear picture of how Medicaid and Medicare dollars are being spent. This legislation simply pairs transparency with accountability, establishing an enforceable requirement that 75% of total nursing and residential care revenue be used for direct care wages and benefits.

Staffing and wages are innately connected. When wages are low, experienced staff are lost, there is constant turnover, and dangerously understaffed shifts which result in declining quality of care. SB 663 directly addresses this by ensuring that facility revenue is invested back into the people who keep them running everyday.

This legislation also requires nursing homes to submit an annual cost report documenting their wage disbursement. With this, the State can verify compliance and that public dollars are going where they are intended to be. SB 663 holds nursing homes accountable and supports residents and our workforce.

For these reasons, we urge a favorable vote on SB 663.



unions@mddclabor.org



www.mddclabor.org



facebook.com/mddcaflcio



instagram.com/md_dc_aflcio

SB 663_MD Center on Economic Policy_FAV.pdf

Uploaded by: Kali Schumitz

Position: FAV

Fiscal Standards and Transparency Would Strengthen Nursing Home Care in Maryland

Position Statement in Support of Senate Bill 663

Given before the Senate Finance Committee

Long-term care workers are a vital part of the social infrastructure that keeps Maryland going. They provide essential services to aging Marylanders and Marylanders with disabilities, but the state struggles to meet the need for these workers.ⁱ Demographic change is expected to worsen this shortfall in coming years and decades. Senate Bill 663 would improve both access to care and quality of care at Maryland nursing homes by requiring that at least 75% of these facilities' revenue go toward care. **For these reasons, the Maryland Center on Economic Policy supports Senate Bill 663.**

Sufficiently staffing Maryland's nursing homes becomes more urgent each day, in light of the state's demographic trends. Maryland's 65+ population grew by 34% from 2014 to 2024, while the 20–64 population slightly declined.ⁱⁱ By 2035, our 65+ population is projected to grow by another 23%, compared to only 4% for the 20–64 population.ⁱⁱⁱ

We can only meet this need if nursing homes use their resources to hire and pay direct care staff. But in 2024, Maryland nursing homes that received Medicaid funding spent only 54% of their revenues on direct care wages, according to an analysis by the Maryland Department of Health.^{iv} This is especially concerning in light of data from the Centers for Medicare and Medicaid Services showing that about 18% of Maryland nursing homes have serious quality issues.^v

Where is the rest of the money going? A 2024 study of nursing homes in Illinois found that facilities hid 68% of their profits by overpaying related parties for real estate, management, and other services^{vi} – essentially moving money from one pocket to the other.^{vii} The researchers estimated that spending these hidden dollars on registered nurses would have enabled nursing homes to increase RN staffing hours per resident by 36%.

The 75% standard under Senate Bill 663 could translate into increased hiring or higher wages. In practice, these go together, as paltry wages are among the top barriers to recruiting and retaining a sufficient long-term care workforce.^{viii}

- Direct care workers in Maryland nursing homes typically took home less than \$32,000 in 2023.
- 35% of nursing home workers have family income less than double the federal poverty line (today, \$54,640 for a family of three).
- 41% receive public assistance.
- 39% spend more than 30% of their income on housing.

Higher nursing home wages would mean better access to care and better quality of care. The gains for workers would also make Maryland's economy more equitable:

- 82% of direct care workers in nursing homes in Maryland are Black and 88% are workers of color, as of 2023.
- 95% are women.
- 39% were born outside the United States.
- 34% are raising children.

In addition to the bill's fiscal standards, its reporting requirements would strengthen the knowledge base for policymakers at the Maryland Department of Health.

Enacting Senate Bill 663 would put Maryland in good company, as policymakers have enacted similar standards in New Jersey (90%), Massachusetts (75%), and New York (70%).

For these reasons, the Maryland Center on Economic Policy respectfully requests that the Senate Finance Committee make a favorable report on Senate Bill 663.

Equity Impact Analysis: Senate Bill 663

Bill summary

Senate Bill 663 would require that Maryland nursing homes spend at least 75% of revenues on direct care wages and benefits. The bill also requires nursing homes to submit annual cost reports to the Maryland Department of Health documenting compliance with this standard.

Background

Chapter 733 of 2025 requires the Maryland Department of Health to collect uniform cost reports from nursing homes that receive Medicaid funding and publish certain statistics compiled from these reports. The first such analysis found that in 2024, nursing homes spent 54% of their revenues on direct care wages.

Data from the Centers for Medicare and Medicaid Services show that as of January 2026, about 18% of Maryland nursing homes are classified as Special Focus Facilities (SFFs), SFF Candidates, or assigned a one-star overall rating by CMS. Special Focus Facilities (SFFs) and SFF Candidates are nursing homes determined by CMS to have a history of serious quality issues or are included in a special program to stimulate improvements in their quality of care.

A 2024 study of nursing homes in Illinois found that facilities hid 68% of their profits through related-party payments. The researchers estimated that spending these dollars on registered nurses would have enabled nursing homes to increase RN staffing hours per resident by 36%.

Policymakers have enacted standards similar to Senate Bill 663 in New Jersey (90%), Massachusetts (75%), and New York (70%).

Equity Implications

Many direct care workers in Maryland nursing homes face economic hardship:

- Direct care workers in Maryland nursing homes typically took home less than \$32,000 in 2023.
- 35% of nursing home workers have family income less than double the federal poverty line (today, \$54,640 for a family of three).
- 41% receive public assistance.
- 39% spend more than 30% of their income on housing.

Direct care workers in Maryland nursing homes are disproportionately women and workers of color:

- 82% of direct care workers in nursing homes in Maryland are Black and 88% are workers of color, as of 2023.
- 95% are women.
- 39% were born outside the United States.
- 34% are raising children.

Impact

Senate Bill 663 would likely **improve racial, gender, 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 IPUMS American Community Survey microdata.

ⁱⁱⁱ MDCEP analysis of Maryland Department of Planning population projections.

^{iv} “Nursing Home Costs 2025 Report Pursuant to Ch. 733 of the Acts of 2025,” Maryland Department of Health, 2025, <https://health.maryland.gov/mmcp/Documents/JCRs/2025/NHcostreportsJCRfinal10-25.pdf>

^v CMS data compiled by the Long Term Care Community Coalition, 2026, <https://nursinghome411.org/data/ratings-info/feb2026/>

^{vi} Ashvin Gandhi and Andrew Olenski, “Tunneling and Hidden Profits in Health Care,” National Bureau of Economic Research Working Paper 32258, 2024 (revised 2025), https://www.nber.org/system/files/working_papers/w32258/w32258.pdf

^{vii} Carl Davis, Matthew Gardner, and Michael Mazerov, “A Revenue Analysis of Worldwide Combined Reporting in the States,” Institute on Taxation and Economic Policy, 2025, <https://itip.org/worldwide-combined-reporting-state-corporate-taxes/>

^{viii} PHI Workforce Data Center, <https://www.phinational.org/policy-research/workforce-data-center/>

SB663 Nursing Home Staffing Crisis Funding_1199SEI

Uploaded by: Loraine Arikat

Position: FAV



SB 663
Nursing Homes - Direct Care Wages and Benefits
(Nursing Home Care Crisis Transparency Act)
Position: Favorable

Dear Chair Beidle and members of the Senate Finance Committee:

My name is Claudia Balog and I am an Assistant Director of Research at 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.

SB 663 aims to require nursing homes to meet a threshold of spending that would target revenues towards resident care and address the low wages in the industry that create short staffing. Maryland's nursing home residents and workers can no longer afford to be subject to the profit motives of an industry that is increasingly owned by out-of-state private equity investors and large chains with spotty quality records. Today, [81% of the nursing home industry is for-profit](#), with a significant market presence of large chains.

Too many seniors and families are accepting substandard care because their nursing home tells them that they cannot afford to hire more staff, and there is academic research to illustrate this. 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.

As a result of the mandate to assess nursing home spending that was enacted through the passage of SB 697 last year, the Maryland Department of Health is finally beginning to get a picture of how Medicaid and Medicare dollars are being spent by our nursing homes.

The 2025 Report on Nursing Home Costs provides a review conducted by MDH with the assistance of its fiscal audit contractor. Looking at the cost reports filed in 2024 of the 221

nursing homes enrolled in the Maryland Medical Assistance Program, MDH found that allocated approximately \$1,843,866,632 to direct care staffing statewide, **representing about 53.86%** of total reported comprehensive care revenues of \$3,423,565,013

In Maryland, [the latest 2026 data from CMS](#) shows that nearly 20% of our 220 nursing homes are “Problem Facilities” meaning they are either Special Focus Facilities, Special Focus Facility Candidates or CMS One-Star facilities. Looking to payroll [based journal data filed in Quarter 2 2025](#), only six nursing homes out of 220 reported staffing levels for nurse aide titles that met our state’s expected nurse aide HPRD. We know that staffing drives quality, and poor quality is often the likely result of poor staffing.

Meanwhile, nursing home owners 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 across the country pay [40% of their revenues](#) to related parties.

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. Today, 80% of Maryland’s nursing homes are for-profit. 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.

There is a 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 75% of revenue spent.
 - The latest [Direct Care Cost Quotient Report](#) from the MassHealth Office of Long-Term Care Services and Supports provides evidence that such a threshold is not only aspirational; **it is attainable**. Looking at 331 nursing homes in Massachusetts, only 65 of them failed to meet the 75% threshold in FY 2025; 80% of the nursing homes met or exceeded the spending standard targeted for direct care workers.
- 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 to spend a minimum of 70% of their operating revenue on direct care resident care, of which 40% must be spent on direct care staff (CNAs, LPNs and RNs), while also capping profits at 5%.

We know that Maryland's nursing home residents and workers would benefit from this model. Ensuring that 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 663 and urge a favorable report.

Sincerely,

Claudia Balog (she/her)
Assistant Director of Research
1199 SEIU United Healthcare workers East
410-591-6727
Claudia.Balog@1199.org

SB 663 - SWEAR Written Testimony.pdf

Uploaded by: Maria Smith

Position: FAV



February 27, 2026

Dear Chair Biedle, Vice Chair Hayes, and Members of the Senate Finance Committee:

As a grassroots organization of Maryland social workers, we respectfully request a **favorable** report on **SB 663: Nursing Homes-Direct Care Wages, Benefits, Cost**.

Direct service work in the healthcare industry is often exhausting, and far too often results in staff being overworked and underpaid. As social workers, we are well aware of the risk that this poses to the most vulnerable residents of Maryland. Low wages impact the quality of service for a variety of reasons, such as causing higher turnover in these positions and negatively impacting employee morale & well-being. The better Maryland can take care of its health occupation professionals, the better off we all will be.

We gratefully acknowledge the inclusion of social workers in **SB 663**. As a female dominated profession, social work continues to see challenges with pay equity. This bill offers a step in the right direction in supporting those caring for our most vulnerable communities.

Lastly, we appreciate that SB 663 requires accountability and transparency from nursing home facilities. It is essential that healthcare organizations are able to stay afloat financially, and equally important that they pay ALL of their workers fairly!

Thank you for taking this opportunity to support Maryland social workers.

Sincerely,

SWEAR (Social Workers for Equity & Anti-Racism)

SB 663 - FAV - FIN - ALZ Association.pdf

Uploaded by: Megan Peters

Position: FAV



Bill: SB 663 - Nursing Homes - Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act)

Committee: Finance Committee

Position: Favorable

Date: March 3, 2026

On behalf of the 127,200 Marylanders living with Alzheimer's disease and their 247,000 caregivers, the Alzheimer's Association supports SB 663 - 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 2025, 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 663 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 663 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 663 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 663. Please contact Megan Peters, Director of Government Affairs at mrpeters@alz.org with any questions.

¹ 2025 Alzheimer's Disease Facts and Figures

<https://www.alz.org/getmedia/ef8f48f9-ad36-48ea-87f9-b74034635c1e/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>

SB 663 - FAV.pdf

Uploaded by: Megan Peters

Position: FAV



Maryland Senior Citizens Action Network

MSCAN

AARP Maryland

Baltimore Jewish Council

Catholic Charities of Baltimore

Central Maryland Ecumenical Council

Church of the Brethren

Episcopal Diocese of Maryland

Housing Opportunities Commission of Montgomery County

Lutheran Office on Public Policy in 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
Megan Peters
410-921-9005*

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

MSCAN supports SB 663. Maryland's nursing homes care for thousands of older adults and patient acuity is continuing to increase. Yet the direct care workforce responsible for providing daily care faces shortages, high turnover, and wages that do not reflect the difficulty and importance of their work. For instance, Maryland's nursing assistants earned an average annual wage of just \$42,070 in 2024, and in many facilities, turnover rates of 50% undermine continuity of care and contribute to preventable health complications.

One factor contributing to ongoing workforce challenges is the limited share of resources that currently goes toward frontline staffing. In 2024, Maryland nursing homes enrolled in Medicaid allocated **53.86%** of the **\$3.4 billion** in comprehensive care revenue to direct care staffing, compared to a national average of **66%**. Ensuring that a greater portion of public dollars reaches the direct care workforce can help improve wages, reduce turnover, and support more stable staffing, all of which are closely associated with better resident safety, higher quality of care, and improved quality of life.

To support these improvements, Maryland also needs greater visibility into how funds are spent. Transparency is essential to understanding how resources are allocated and ensuring that the public dollars intended to support resident care are directed appropriately.

SB 663 addresses these challenges by requiring nursing homes to spend at least **75%** of their total nursing and residential care revenue on direct care wages and benefits. Beginning in 2027, facilities will also be required to submit annual cost reports documenting how funds are allocated, including wage disbursement and any additional information required by the Department of Health. These reforms will help ensure that state and federal funds are directed toward direct care, and ultimately support the quality of care for many older adults in our nursing home facilities.

For these reasons, MSCAN urges a favorable report for SB 663.

SB0663-LWVMD-FAV- Nursing Homes- Direct Care Wages

Uploaded by: Nora Miller Smith

Position: FAV



TESTIMONY TO THE FINANCE COMMITTEE

SB0663: Nursing Homes- Direct Care Wages and Benefits and Cost Reports

POSITION: Support

BY: Linda Kohn, President

DATE: March 3, 2026

The League of Women Voters of Maryland is a nonpartisan organization that works to influence public policy through education and advocacy. It believes that all Maryland residents should have access to affordable, quality health care. It is also committed to improving equity, which involves increasing justice and fairness within institutions, as well as in their distribution of resources. **The League thus supports SB 663: Nursing Homes- Direct Care Wages and Benefits and Cost Reports, which would improve the financial transparency of nursing homes, and require that an increased percentage of their revenue be spent on direct care workers' wages and benefits.**

"Direct care workers represent the paid frontline of support for millions of older people and people with disabilities. Yet, despite their profound value, these workers struggle in poor-quality jobs, which drives many of them away from these roles."¹ **Recruitment and retention for these demanding, high-stress jobs is hampered by inadequate wages and benefits, difficult working conditions, and recent changes in immigration policies. (Roughly one in five front line nursing home workers are immigrants).**²

Per the Washington Post:³ **"Black women are more overrepresented in health-care jobs than any other demographic groups, and are concentrated in the lowest-paid and most dangerous roles....Black women are more likely to work in those nursing homes and other long-term care settings that are most understaffed and under-resourced, leading to greater risk and exposure to injury or infection....But while Black women do some of the hardest work in healthcare, their paychecks don't reflect it."**

The direct care workforce shortage must be addressed now, as it will only worsen as Maryland's population ages. In 2022, 16% of Maryland residents, or almost a million people, were age 65 or older. By 2040 that age group is expected to grow to 21% of our population, or 1.44 million residents. The subgroup of people 80 years or older should double to almost half a million, or 7% of our population.⁴ **Preparations must be made now to grow the direct care workforce, reduce turnover, and relieve staffing shortages, to enable this fast-growing population to receive the quality care to which they are entitled.**

SB 663 would mandate an equitable wage increase to the healthcare workers providing direct patient care to the elderly, disabled, and chronically ill residents of nursing homes. Their important, difficult, and physically-demanding work enables residents to maintain the best possible quality of life and highest level of independence. **The League and its 2,000 members urge a favorable report on Senate Bill 663.**

¹ <https://www.phinational.org/caringforthefuture/>

² https://www.nber.org/system/files/working_papers/w34791/w34791.pdf

³ <https://www.washingtonpost.com/lifestyle/2022/02/24/black-women-health-care-jobs/>

⁴ <https://www.retirementlivingsourcebook.com/proagingnews/maryland-s-aging-population-urgent-housing-needs-highlighted-in-2025-assessment#:~:text=Maryland's%20older%20adults%20already%20represent,to%207%25%20of%20the%20population>

Rhonda White FAV Nursing Home Staffing Crisis Fund

Uploaded by: Rhonda White

Position: FAV



Testimony on SB663/HB1414
The Nursing Home Staffing Crisis Funding Act of 2026
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 SB663/HB1414: The Nursing Home Staffing Crisis Funding Act because it can help fix the staffing crisis by requiring 75% of Medicaid dollars to be spent on direct care. This will improve working conditions for employees and quality of care for our residents. I urge a **favorable** report.

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 proper staffing, our health suffers, then workers burn out, and short staffing gets worse.

I care about my residents. It is heartbreaking for workers when we can't give them everything they need to live with dignity. For example, I had a resident that needed immediate assistance with dressing, but he had to wait over an hour until someone was available to help him. Residents pay for services that are not being rendered in a timely manner due to short staffing. They deserve so much more.

I work hard, I pay my taxes, and I want my tax dollars to go where they are supposed to go. In the case of Medicaid, that means patient care. That is why we need this bill. With the upcoming Federal cuts to Medicaid, it is more important than ever that we have a guard rail for how public funds are spent in Maryland. Please vote YES on this bill. Thank you.

In Unity,
Rhonda White

Gwen Umbach FAV Nursing Home Staffing Crisis Fundi

Uploaded by: Ricarra Jones

Position: FAV



Testimony on SB663/HB1414
The Nursing Home Staffing Crisis Funding Act of 2026
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Gwen Umbach, and I work at a healthcare clinic providing insurance and healthcare advice to many Maryland residents. The state of Maryland nursing homes right now is dangerous to patients, staff, and families alike. Low staffing means less quality care for patients, while staff's health suffers due to overwork, or they quit entirely. Meanwhile, people avoid going into nursing homes because they know they will not get the care they need. I urge a **favorable** report on the Nursing Home Staffing Crisis Funding Act.

I recently spoke with a woman who lives in Maryland, whose husband has dementia and needs nursing home care. She was stressed out trying to find a nursing home that had space for him, and distraught over the horror stories she had heard of patients experiencing health crises without enough nurses or GNAs to care for them. While she tried to find a place for her husband, she was caring for him herself at home. She had already been injured while trying to provide this care, that she was neither trained nor equipped for, all on her own. Her husband was often agitated and in pain, and she was physically and mentally exhausted. If Maryland's nursing homes had enough staff, and especially long-time, experienced staff, this family and others would be able to find a nursing home bed and get high-quality healthcare.

The Nursing Home Crisis Funding Act would make this happen by requiring more revenue to go back into the workforce, improving staffing and reducing turnover. It's outrageous that currently, only around 52% of nursing home revenue in Maryland is spent on direct care. Much of that revenue is from Medicaid--those are our tax dollars, and they should be spent on actual healthcare, not nursing home shareholders. By ensuring that 75% of Medicaid dollars are spent on direct care, this bill is a huge step in the right direction for Maryland nursing home care. Please vote **YES** on this bill. Thank you.

In Unity,
Gwen Umbach

Jenae Mixon FAV Nursing Home Staffing Crisis Fundi

Uploaded by: Ricarra Jones

Position: FAV



SB663/HB1414
Nursing Home Staffing Crisis Funding Act of 2026
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Jenae Mixon. I've been a Certified Nursing Assistant and Med-Tech at a Long-Term Care facility in Baltimore for six years, working in memory care. I am so delighted by my residents. Working for them makes my day. Unfortunately, our facility is short staffed twice a week on average. That's why I support the Nursing Home Staffing Crisis Funding Act and urge a **favorable** report on this bill.

When my facility is short, residents receive their meals late and they have to wait for assistance with basic hygiene. That is harmful for residents because they need food regularly and can develop rashes or bedsores if they aren't changed promptly. I want my residents to live high-quality lives. That is challenging when there aren't enough workers to provide timely care.

Workers don't feel appreciated when we are faced with chronic understaffing. We are overworked when we are short, that makes us tired which increases call outs, and then we are even more short staffed. I've always been an outgoing person. I live my best life when I'm able to be social and interact with community. But with short staffing, all I can do when I get home is take a bath and go to bed. On my days off, I sleep the whole day away. It's difficult to even find the energy to cook and clean, let alone have a social life or recreation which is so important for my wellness.

Long-Term Care workers are underpaid for the amount of work we do while short staffed. I stay working in this field because I have bonded with my residents, and I don't want to leave them. It feels like management is taking advantage of workers with big hearts by making us fight tooth and nail for wage increases knowing we don't want to make short staffing even worse for our residents by quitting.

The facility where I work is owned by a private equity firm. We need the Nursing Home Staffing Crisis Funding Act because it would require 75% of Medicaid dollars the facility receives go to direct care. Long term care should be about CARE, not about profit. Please vote YES on this bill. Thank you.

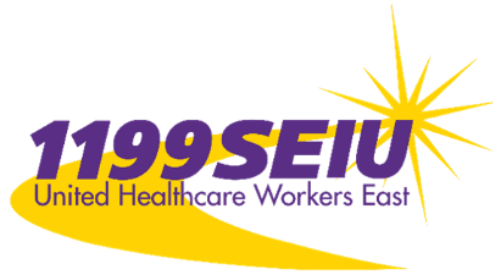
In Unity,

Jenae Mixon

Teneia Wells Nursing Home Crisis Funding Act FAV T

Uploaded by: Ricarra Jones

Position: FAV



Testimony on SB663/HB1414
The Nursing Home Staffing Crisis Funding Act of 2026
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 SB663/HB1414: The Nursing Home Staffing Crisis Funding Act of 2026.

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 SB663/HB1414. Thank you.

Sincerely, Teneia Wells

Terena Perry FAV Nursing Home Crisis Funding Act T

Uploaded by: Ricarra Jones

Position: FAV



SB663/HB1414
Nursing Home Staffing Crisis Funding Act of 2026
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Terena Perry. I am a Geriatric Nursing Assistant at a Long Term Care facility in Baltimore, where I have worked since 2010. Our residents are primarily residents who are experiencing behavioral health challenges, which is different than many other long term care facilities. My job is to assist my residents with daily living, like meals, bathing, getting to the restroom, movement, and anything else that helps them live with dignity. I support Nursing Home Staffing Crisis Funding and urge a **favorable** report because it can help get more investment in our workforce to improve safety for workers and residents alike.

We are short-staffed almost every day. When people call out, management doesn't find coverage. That leaves the rest of us with an increased workload to complete in the same amount of time. Healthcare is not something that should be rushed, because it could cause both workers and residents to get hurt. But when we don't have enough staff, we have no choice but to work faster. This affects GNA's because our job is physically demanding. It wears down on our bodies when we must do more work in the same time. We want to treat everyone the way we would want to be treated and provide the best care possible, but rushing makes it hard to do that. That wears us down mentally and emotionally because GNA's do this work because we want to care for people, and it doesn't feel good to know we can't do that as well with short staffing.

My facility used to be owned by a different company. Back then, we didn't have such a severe short staffing crisis, and management was more helpful with finding coverage when workers called out. That changed when the company I work for now bought the facility. There's been five different administrators in that time. If this bill were in place, we wouldn't start back at square one every time there is turnover in management because management would be directed to allocate 75% of Medicaid dollars to direct care, not whatever amount that administrator feels is appropriate for whatever reason. This bill gives consistency to workers and residents.

Anyone could end up in a Long-Term Care facility, so it is important for every Marylander that you pass the Nursing Home Crisis Funding Act. Please vote YES. Thank you.

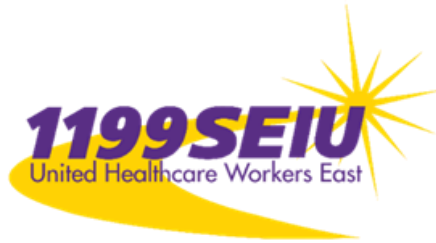
In Unity,

Terena Perry

Vanessa Barber FAV Nursing Home Staffing Crisis Ac

Uploaded by: Ricarra Jones

Position: FAV



SB663/HB1414
Nursing Home Staffing Crisis Funding Act of 2026
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Vanessa Barber. I have been a CNA/GNA at a Long-Term Care facility for 29 years. Over the last several years, the short staffing crisis has gotten worse and worse. I support the Nursing Home Staffing Crisis Funding Act and urge a **favorable** report because we need all the help we can get to provide high quality care to our residents and hire more staff.

Patient care suffers when all our departments are constantly understaffed. It's not just the nursing and technical departments that are short staffed. We need more dietary and environmental service workers as well. I do everything I can for my residents because I care deeply about their wellbeing. But no amount of hard and careful work can make up for the fact that we simply don't have enough workers in our facility. This bill will help the residents get what they deserve - proper staffing levels to provide the care that they pay for.

Short staffing begets short staffing. Sometimes, we have to care for 29 patients at a time, which is twice the number we should be caring for. Workers call out because they are burnt out from being overworked. Workers can't provide the highest quality care when we are too tired, so many take their sick time – as they should – but then it leaves the rest of us working short. We need lawmakers to help break this cycle by passing the Nursing Home Staffing Crisis Funding Act.

I could retire anytime I want to, but I am choosing to stay in the healthcare workforce right now because I want to make sure my residents are okay. I know how short the facility is, and I don't want to contribute to further short staffing because I want what is best for my residents. But that is not a choice anyone should have to make! My residents should be able to live with dignity just as I should be able to retire with dignity. Requiring 75% of Medicaid dollars to be spent on direct care would incentivize management to hire more workers. I hope you pass the Nursing Home Staffing Crisis Funding Act this year. Please vote YES.

In Unity,

Vanessa Barber

Testimony in support of SB0663 - Nursing Homes - D

Uploaded by: Richard KAP Kaplowitz

Position: FAV

SB0663_RichardKaplowitz_FAV

03/03/2026

Richard Keith Kaplowitz

Frederick, MD 21703

TESTIMONY ON SB#/0663- POSITION: FAVORABLE

Nursing Homes - Direct Care Wages and Benefits and Cost Reports

TO: Chair Beidle, Vice Chair Hayes, and members of the Finance Committee

FROM: Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of SB#/0663, **Nursing Homes - Direct Care Wages and Benefits and Cost Reports**

Based on 2024 data, Maryland nursing homes allocated approximately \$1.84 billion to direct care staffing, which represents about 53.86% of total reported comprehensive care revenues of \$3.42 billion.¹

Direct Care Spending Breakdown (2024 Data):

- Total Allocated Revenue: ~\$1.84 billion (53.86% of revenue).
- Contracted Nursing Care Services: ~\$364.1 million.
- In-house Nursing Staff: ~\$1.25 billion.
- Dietary Workers: ~\$145 million.
- Housekeepers: ~\$80 million.
- Current Staffing Crisis: 2020 median hourly wages for nursing assistants were as low as \$15.22, with high reliance on Medicaid funding.
- Scope: Direct care includes nursing, dietary, therapy, and social worker staff.

This bill aims to address long-standing under compensation in the industry.

This bill will address these problems by requiring a nursing home to expend at least 75% of its total nursing and residential care revenue for direct care wages and benefits; and requiring nursing homes by September 1 each year, beginning in 2027, to submit a cost report with documentation of wage disbursement and other appropriate information to the Maryland Department of Health.

It is incumbent on Maryland to force these industry changes to both increase the availability for patient care and worker's wages for patients in Maryland nursing homes.

I respectfully urge this committee to return a favorable report on SB#/0663.

¹ Google AI Search "What do maryland nursing homes spend on direct care wages and benefits"

SB663 - 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

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

Senate Finance Committee, March 3, 2025

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>.

SB 663_FAV_DRM.pdf

Uploaded by: Sandy Balan

Position: FAV



Empowering People to Lead Systemic Change
The Protection and Advocacy System for the State of Maryland

1500 Union Ave., Suite 2000, Baltimore, MD 21211
Phone: 410-727-6352 | Fax: 410-727-6389
DisabilityRightsMD.org

Senate Finance Committee
Senate Bill 663: Nursing Homes – Direct Care Wages and Benefits and Cost Reports

March 3, 2026

POSITION: SUPPORT

Thank you Madame Chair Beidle and Committee Members for the opportunity to provide written testimony for Senate Bill 663. Disability Rights Maryland 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. L.C.* 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 2025, in Maryland, 0.3% of people with disabilities, ages 18-64, reside within nursing homes.² The rate is even higher for people with disabilities over the age of 65, at 6.9%.³

Unfortunately, within these facilities, residents, regardless of their disability, experience a low quality of care that impacts their overall well-being. As of January 2026, over 30% of nursing homes in Maryland have been found by the Office of Health Care Quality (OHCQ) to have serious deficiencies that caused immediate jeopardy to resident health or safety.⁴ Past reports include failure to ensure that residents had adequate supervision to prevent falls with serious injury, leading to the death of a resident,⁵ and failure to follow a physician's order for blood glucose monitoring that led to the hospitalization of an unresponsive resident.⁶

Though there are multiple causes for these deficiencies, a primary driver includes insufficient investment in the direct care workforce. Nursing homes are severely understaffed, with Maryland's statewide average for staffing being 3.9 hours per resident per day.⁷ Additionally, the

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

² Rates of Nursing Home Institutionalization Among People with Disabilities Ages 18 to 64, ADA PARC, September 2025

³ Nursing Home, Age 65+, ADA Parc, https://adaparc.shinyapps.io/ADA_PARC/#section-national-data

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

⁵ Statement of Deficiencies for Provider 215348, Department of Health and Human Services, Center for Medicaid Services (Survey Data 06/27/2025), <https://www.medicare.gov/care-compare/inspections/pdf/nursing-home/215348/health/complaint-inspection?date=2025-06-27>

⁶ Statement of Deficiencies for Provider 215216, Department of Health and Human Services, Center for Medicare and Medicaid Services (Survey Data 10/10/2025) <https://www.medicare.gov/care-compare/inspections/pdf/nursing-home/215216/health/complaint-inspection?date=2025-10-10>

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

statewide average for nursing staff turnover remains high, at 40.6%.⁸ 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. **By ensuring that at least 75% of a nursing home's total nursing and residential care revenue goes to direct care staff wages and benefits, Senate Bill 0663 will help to ensure that residents are given quality care by requiring that nursing homes sufficiently invest in their direct care workforce.** SB 0663 will also require nursing homes to file an annual cost report with the Maryland Department of Health, starting in 2027, 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 difficult for individuals with disabilities to access, unnecessary barriers need to be broken down. The nursing home industry's inability to provide quality care to its residents, especially individuals with disabilities, is one such barrier. Senate Bill 0663 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 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 0663 and urges a favorable report.

Respectfully,

Sandy Balan, Esq /s/
Staff Attorney
Disability Rights Maryland
1500 Union Avenue, Suite 2000
Baltimore, MD 21211
SandyB@DisabilityRightsMD.org
T: (443) 692 2511

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

SB 663 - Nursing Homes - Direct Care Wages and Ben

Uploaded by: Sara Westrick

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: @aarpmd
facebook.com/aarpmd

SB 663 - Nursing Homes – Direct Care Wages and Benefits and Cost Reports
Senate Finance Committee
March 3, 2026
FAVORABLE

Good afternoon, Chair Beidle, Vice Chair Hayes, and members of the Senate Finance Committee. Thank you for the opportunity to testify in support of Senate Bill 663 and thank you to Senator Kramer for sponsoring this important legislation.

My name is Sara Westrick, Advocacy Director for AARP Maryland, and I am a member of the Oversight Committee on Quality of Care in Nursing Homes and Assisted Living Facilities. AARP Maryland represents 850,000 members and advocates for older Marylanders and their families who rely on long-term care.

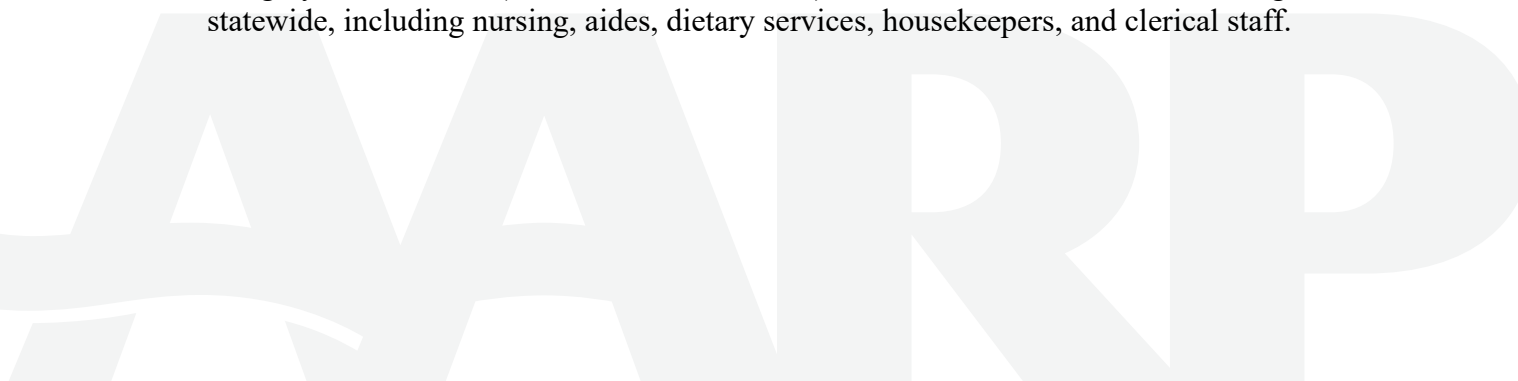
Why SB 663 Is Needed Now

Maryland's long-term care system is facing persistent workforce shortages, high turnover, and wide variation in how nursing homes allocate funds intended for frontline care. SB 663 addresses these problems with clear, enforceable standards for direct care wage spending, transparent financial reporting, and accountability.

Many nursing home owners obscure profits by routing inflated payments to companies they also control, reducing funds available for resident care and contributing to poor outcomes. Nationally, 40% of facility revenues go to these related parties. In Maryland, opaque ownership structures make it easier for private equity owners to divert resources away from direct care, leading to higher rates of preventable emergency department visits and hospitalizations. In addition, 80% of facilities in the state are for-profit, and the state has high turnover in acquisitions.

Importantly, the Department's 2025 Nursing Home Costs Report shows why SB 663 is both timely and necessary. Under existing law, nursing homes enrolled in the Maryland Medical Assistance Program must submit annual uniform cost reports, which serve as the basis for rate-setting and trend analysis. In 2024, 204 nursing homes submitted these reports. According to the Department:

- Nursing homes received \$3.42 billion in total comprehensive care revenues in 2024.
- Roughly \$1.84 billion (53.86% of total revenue) was allocated to direct care staffing statewide, including nursing, aides, dietary services, housekeepers, and clerical staff.



SB 663 will strengthen transparency and require clearer, verifiable financial documentation. The bill ensures that staffing funds reach the workers who provide daily, hands-on care, helping to stabilize the workforce and reduce turnover that jeopardizes resident safety.

Conclusion

Maryland's nursing home residents deserve a system in which public dollars are spent on care. The data from the 2025 Nursing Home Costs Report underscores the urgent need for greater transparency, clearer accounting of direct care wages, and enforceable standards for how nursing homes allocate their resources. SB 663 provides exactly that.

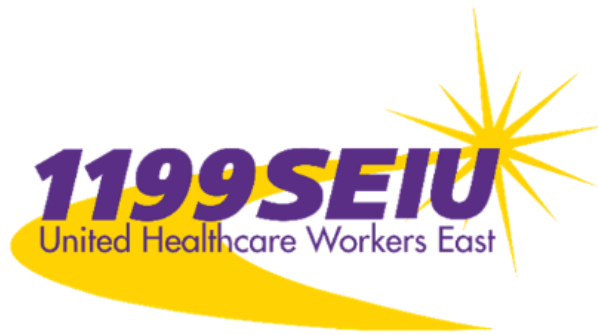
For these reasons, AARP Maryland respectfully urges a favorable report on SB 663.

If you have any questions, please contact me at swestrick@aarp.org or 410-310-0374.

Winston Robinson FAV Nursing Home Staffing Crisis

Uploaded by: Winston Robinson

Position: FAV



Testimony on SB663/HB1414
The Nursing Home Staffing Crisis Funding Act of 2026
Position: **FAV**

To Madame Chair and Members of the Committee,

My name is Winston Robinson. I work in the kitchen at a Long-Term Care facility in Baltimore County. My department works short staffed at least once a week. I urge a favorable report on the Nursing Home Staffing Crisis Funding Act.

When my department is short staffed, we have a lot of extra work. That leads to frustration for residents and workers. Meals don't go out on time when we are short, and that is bad for the residents. They need consistency in their meals for their health and medication schedules. Family members get frustrated as well. That is challenging to deal with.

My department isn't the only one working short. GNAs are often caring for 32 patients with only one GNA on the floor. Even when the kitchen gets our meals out on time, when the GNAs are short and can't distribute the meals, they are sent back to the kitchen. We must throw that food away, and the patients don't get food until the next scheduled meal.

We need you to pass this bill because the people doing the work in nursing homes are underpaid, underappreciated, and overworked. With this legislation in place, it would make sure that funding for direct care is used for improving residents' lives and our working conditions. Hopefully when this bill is implemented, management will hire more workers.

I work in Long Term Care because I love to serve the residents. When I cook a proper meal, I can help people live a better life. Our residents deserve the best. They've lived and worked their whole lives, now it is time for them to be cared for. Please help me be successful in doing the work I love by voting YES on this bill. Thank you.

In Unity, Winston Robinson

SB0663_CoA_FWA_022426.pdf

Uploaded by: Linda Bergofsky

Position: FWA



COMMISSION ON AGING

TESTIMONY ON SB0663 - POSITION: FAVORABLE WITH AMENDMENTS **Nursing Homes - Direct Care Wages and Benefits and Cost Reports**

TO: Chair Beidle, Vice Chair Hayes, and members of the Finance Committee

FROM: Linda Bergofsky and Wayne Berman, Co-Chairs, Montgomery County Commission on Aging

We writing on behalf of the Montgomery County Commission on Aging (CoA) in support of **SB0663 - Nursing Homes - Direct Care Wages and Benefits and Cost Reports**. The CoA was established by Montgomery County in 1974 pursuant to a requirement of the Federal Older Americans Act of 1965, that there be an Advisory Council to the Area Agency on Aging. In that role, the CoA serves as an advocate for the health, safety, and well-being of the County's older residents at the local, State, and National levels. SB0663 supports a priority of the Commission and of our constituents, specifically access to high-quality nursing home care.

SB0663 improves access to high-quality nursing home care in two ways. First, it sets a certain percentage of total revenue that must be expended on direct care wages and benefits, ensuring that public dollars are going to facility staffing, the cost center most clearly related to quality. Second, it requires nursing homes to submit timely 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.

In light of the 2025 decision by CMS to rescind the minimum nurse staffing and spending reporting regulations it adopted in 2024, Marylanders lack access to reliable information on how nursing homes invest their income in direct care staff. By establishing a minimum direct care spending level, Maryland would join New York, New Jersey, and Massachusetts, all of which have passed similar laws to protect their most vulnerable residents.

Research has shown the benefits of this approach in understanding how nursing homes spend revenue. An April 2024 [study](#) by Harrington, Mollot, et al used 2019 Medicare cost reports to examine nursing home revenues, expenditures, net income, related-party expenses, expense

categories, and capital structure of free-standing facilities. After excluding disallowed costs and non-cash depreciation expenses, the authors found that “Overall spending for direct care was 66% of net revenues...”. The authors further cited the importance of reviewing cost reports in achieving financial transparency. The study conducted last year by the Maryland Department of Health used Medicaid cost reports to analyze spending on direct care staff; MDOH is working with its fiscal audit contractor to revise future cost report templates to facilitate future analyses.

We request that you consider an amendment to this bill. Currently, the bill counts direct care wages and benefits as they relate to nursing, dietary, restorative therapy, and social worker staff. We suggest including Activities staff as well. Activities staff are involved in direct care that is different and distinct from restorative therapy staff, even with the same credentials as other staff such as an Occupational Therapist, we request that the language to be amended as follows (additional language is highlighted):

16–209. (A) IN THIS SECTION, “DIRECT CARE WAGES AND BENEFITS” MEANS THE DIRECT CARE WORKFORCE WAGES AND BENEFITS FOR NURSING, DIETARY, RESTORATIVE THERAPY, **ACTIVITIES**, AND SOCIAL WORKER STAFF.

The Commission on Aging respectfully urges the return of a Favorable decision with the suggested amendment.

Thank you for your support of this legislation.

SB663_Amendment_353229

Uploaded by: Senator Kramer

Position: FWA



SB0663/353229/1

AMENDMENTS
PREPARED
BY THE
DEPT. OF LEGISLATIVE
SERVICES

27 FEB 26
13:00:39

BY: Senator Kramer
(To be offered in the Finance Committee)

AMENDMENT TO SENATE BILL 663

(First Reading File Bill)

On page 1, in line 18, after “**THERAPY,**” insert “**ACTIVITIES,**”.

SB663_FinalReprint_353229

Uploaded by: Senator Kramer

Position: FWA

SENATE BILL 663

J2, K3

6lr2739
CF 6lr2737

By: **Senators Kramer, Lam, and A. Washington**
Introduced and read first time: February 6, 2026
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Nursing Homes – Direct Care Wages and Benefits and Cost Reports**

3 FOR the purpose of requiring a nursing home to expend at least a certain percentage of its
4 total nursing and residential care revenue for direct care wages and benefits;
5 requiring nursing homes to annually submit a certain cost report to the Maryland
6 Department of Health; and generally relating to nursing homes.

7 BY adding to
8 Article – Health – General
9 Section 16–209 and 16–210
10 Annotated Code of Maryland
11 (2023 Replacement Volume and 2025 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

14 **Article – Health – General**

15 **16–209.**

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

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

21 **16–210.**

2 REPRINT OF SENATE BILL 663 as amended by SB0663/353229/1 02/27/26 at 12:59 PM

1 (A) ON OR BEFORE SEPTEMBER 1 EACH YEAR, BEGINNING IN 2027, EACH
2 NURSING HOME SHALL SUBMIT TO THE DEPARTMENT A COST REPORT IN THE FORM
3 AND MANNER REQUIRED BY THE DEPARTMENT.

4 (B) THE COST REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION
5 SHALL:

6 (1) INCLUDE:

7 (I) DOCUMENTATION OF WAGE DISBURSEMENT; AND

8 (II) ANY OTHER INFORMATION THE DEPARTMENT DETERMINES
9 IS APPROPRIATE; AND

10 (2) BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE
11 NURSING HOME UNDER PENALTY OF PERJURY.

12 (C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
13 DEPARTMENT MAY TAKE APPROPRIATE ENFORCEMENT ACTION AGAINST A
14 NURSING HOME IF THE NURSING HOME:

15 (I) FAILS TO SUBMIT A COST REPORT AS REQUIRED;

16 (II) SUBMITS AN INACCURATE, INCOMPLETE, OR INVALID COST
17 REPORT; OR

18 (III) FAILS TO PAY THE WAGES IN THE AMOUNT REQUIRED.

19 (2) THE ENFORCEMENT ACTION THAT THE DEPARTMENT MAY TAKE
20 UNDER PARAGRAPH (1) OF THIS SUBSECTION INCLUDES:

21 (I) IMPOSITION OF A CORRECTIVE PLAN; AND

22 (II) SUSPENSION OR TERMINATION FROM THE MARYLAND
23 MEDICAL ASSISTANCE PROGRAM.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2026.

LeadingAge Maryland - 2026 - SB 663 - Nursing Home

Uploaded by: Aaron Greenfield

Position: UNF



576 Johnsville Road
Sykesville, MD 21784

TO: Senate Finance Committee
FROM: LeadingAge Maryland
SUBJECT: Senate Bill 663, Nursing Homes - Direct Care Wages and Benefits and Cost Reports
DATE: March 3, 2026
POSITION: Unfavorable

LeadingAge Maryland respectfully requests an unfavorable report on Senate Bill 663, Nursing Homes - Direct Care Wages and Benefits and Cost Reports (Nursing Home Care Crisis Transparency Act)

LeadingAge Maryland is a community of more than 150 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.

Senate Bill 663 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. 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, corrective plans, and potential suspension or termination from the Maryland Medical Assistance program. 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 defines and limits which professions qualify as “direct care” staff, potentially excluding essential personnel such as 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.
- Lack of Comprehensive Data: The 2025 Nursing Homes Cost Report found that 53.86% of revenue from nursing homes in the Maryland Medical Assistance program was allocated to direct care staffing, but this percentage does not include aggregate costs for “in-house clerical staff” and certain care aide staff positions. This lack of information about all essential personnel expenditures leads to incomplete revenue reporting and makes the 75% expenditure benchmark difficult to attain without comprehensive consideration of all direct care staff.

LeadingAge Maryland supports efforts to enhance wages for nursing home workers but believes Senate Bill 663, as written, would have negative consequences for providers, staff, and residents.

For these reasons, LeadingAge Maryland respectfully requests an unfavorable report for Senate Bill 663.

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

SB0663_UNF_LifeSpan_NH - Direct Care Wages & Benef

Uploaded by: Danna Kauffman

Position: UNF



*Keeping You Connected...Expanding Your Potential...
In Senior Care and Services*

Senate Finance Committee

March 3, 2026

Senate Bill 663 – *Nursing Homes – Direct Care Wages and Benefits and Cost Reports*

POSITION: OPPOSE

On behalf of the LifeSpan Network, the largest and most diverse senior care provider association in Maryland representing nursing facilities, assisted living providers, continuing care retirement communities, medical adult day care centers, senior housing communities and other home and community-based services, we **respectfully oppose** Senate Bill 663. Senate Bill 663 contains two main provisions: 1) requiring nursing homes to expend 75% of their total nursing and residential care revenue for direct care wages and benefits for nursing, dietary, restorative therapy and social worker staff; and 2) requiring nursing homes to submit to the Maryland Department of Health (MDH) cost reports.

Regarding cost reports, nursing homes are already required to submit cost reports. This requirement is firmly entrenched in COMAR 10.09.10.21 - .34. Information provided on the cost reports is subject to inspection and audit by the MDH or its designee. Nursing homes must submit, on the form required by the Department, financial and statistical data within three months after the end of the provider's fiscal year unless the Department grants the nursing home an extension or the nursing home discontinues participation in the Medicaid program. If reports are not submitted timely, the Department is required to reduce the per diem rate to nursing homes by three percent for each month not submitted. After six months, the Department may suspend, withhold payment, deny new admissions, or remove the nursing home from the Medicaid program.

Nursing home revenue and reimbursement is based on a complicated formula. Costs are categorized and reported in five cost centers – nursing, other patient care, routine, administrative, capital property service and rental. Adjustments are made to each cost center based upon geographical region. Nursing cost center is then adjusted based on acuity for facilities that care for more complex care residents. Senate Bill 663 only focuses on staff performing nursing, dietary, restorative therapy and social work. It excludes other key staff, such as housekeeping, laundry, maintenance, and admissions and discharge planners, who perform critical work for residents and whose wages may be compressed to meet the 75% requirement.

For the past two years, the State has provided no rate increases for nursing facilities, even as costs continue to rise. Between Calendar Year 2023 and Calendar Year 2024, costs increased by 5.95%. With recent increases in insurance, food, utilities, and overall inflation, expenses are expected to continue climbing while reimbursement rates remain flat. We respectfully request an unfavorable vote.

For more information call:

Danna L. Kauffman

Christine K. Krone

410-244-7000

*7090 Samuel Morse Drive, Suite 400, Columbia, MD 21046
410-381-1176 Fax 410-381-0240 www.LifeSpan-Network.org*

MDOA LOI - SB 663 2.27.26.docx.pdf

Uploaded by: Carmel Roques

Position: INFO



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

Date: March 3, 2026

Bill Number: SB 663

Bill Title: Nursing Homes - Direct Care Wages and Benefits and Cost Reports

Committee: Senate Finance Committee

MDOA Position: Information

Madam Chair, Vice-Chair, and Members of the Committee:

Thank you for the opportunity to provide testimony on SB 663. This bill would require nursing homes to expend at least 75% of total nursing and residential care revenue on direct care wages and benefits, and to annually file detailed cost reports to the Maryland Department of Health beginning September 1, 2027. Recent data show that Maryland direct care workers earn a median hourly wage of about \$16.38 and typically take home less than \$32,000 annually, with a significant share living in low-income households. Nationally and in Maryland, low wages and limited benefits are primary factors driving high turnover in nursing homes, with annual turnover rates exceeding 100% in many facilities. Nursing home direct care jobs are disproportionately held by women (approximately 95% of direct care staff in Maryland are women) and people of color (nearly 80%). These conditions not only affect workers' economic security but also undermine the quality and continuity of care that older Marylanders depend on daily.

MDOA agrees that improving the quality of direct care careers, and worker retention is a priority. A strong care workforce is vital not only for quality long-term services but also for enabling older adults to age in place and maintain health and social participation across the lifespan, which can reduce reliance on institutional care and support broader economic resilience. MDOA is deferential to the fiscal and operational impacts shared by the Maryland Department of Health that SB 663 would create. In light of current projected general fund deficits in fiscal 2027 and beyond, MDOA urges caution in passing legislation that significantly increases expenditures without commensurate decreases in other areas. Thank you for your consideration.

SB 663-FIN-MDH -LOI.docx (2).pdf

Uploaded by: Meghan Lynch

Position: INFO



DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Meena Seshamani, M.D., Ph.D., Secretary

March 3, 2026

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

RE: Senate Bill 663 – Nursing Homes – Direct Care Wages and Benefits and Cost Reports – Letter of Information

Dear Chair Beidle and Committee Members:

The Maryland Department of Health (the Department) respectfully submits this letter of information for Senate Bill (SB) 663 – Nursing Homes – Direct Care Wages and Benefits and Cost Reports.

SB 663 requires nursing facilities reimbursed by the Maryland Medical Assistance Program (Medicaid) to expend at least 75% of their total nursing and residential care revenue for wages and benefits of Direct Care Work Force, which the bill defines as nursing, dietary, restorative therapy and social worker staff members. Beginning September 2027 and annually thereafter, nursing facilities must submit a cost report to the Department to document wage disbursement and other necessary information. The Department must enforce compliance with these new requirements and take action if facilities fail to submit required, accurate, or adequate reports, or fail to pay mandated wages to the Direct Care Work Force. Enforcement actions include 1) corrective action, 2) suspension from the Medicaid, or 3) termination from the Program.

As required by the *Nursing Home Care Crisis Transparency Act* (HB 933, Chapter 733 of the Acts of 2025), the Department submitted a Nursing Home Cost Report 2025, which noted that the current uniform cost report structure aggregated nursing wage and salary data without distinguishing staff roles.¹ The Department worked with its fiscal audit contractor to disaggregate and detail nursing services wage and salary data. Revised cost report templates filled out by nursing facilities reflecting this change will be used from FY 2026 onwards and include the additional data requested by SB 663.

While the Department does not anticipate a fiscal impact to implement cost report enhancements, the Department will need to expand its staffing for compliance oversight and nursing facilities will need to make system modifications to collect the necessary data. To enforce SB 663's cost reporting for non-compliant nursing facilities, the Department would need to hire two Health Policy Analysts II in the Office of Long Term Supports and Services. These analysts will review

¹ Nursing Home Costs, 2025 Report, Pursuant to Ch. 733 of the Acts of 2025, <https://health.maryland.gov/mmcp/Documents/JCRs/2025/NHcostreportsJCRfinal10-25.pdf>.

contractor reports, initiate recoupment of overpayments, and manage provider corrective action plans. The fiscal impact of implementing SB 663 is estimated to be \$171,233 TF (\$85,617 GF/\$85,617 FF) in FY 2027, with a projected five-year staffing cost (FY 2027–FY 2031) of \$1,032,226 TF (\$516,113 GF/\$516,113 FF).

Finally, for non-compliance issues persisting after remediation that may lead to program suspension, Medicaid will coordinate with the Office of Health Care Quality (OHCQ) to relocate Medicaid-funded nursing facility residents. Such relocation due to non-compliance risks disrupting continuity of care, reducing Medicaid bed availability in some counties, and complicating family visitation.

If you would like to discuss this further, please do not hesitate to contact Meghan Lynch, Director of Government Affairs at meghan.lynch@maryland.gov.

Sincerely,



Meena Seshamani, M.D., Ph.D.
Secretary of Health