



**PHI** QUALITY CARE  
THROUGH  
QUALITY JOBS

## Testimony in Support of HB 1129 to the Maryland House Health Committee

Health Committee – Bill Hearing; March 3, 2026

Submitted by PHI (Paraprofessional Healthcare Institute, Inc.)

**Thank you for the opportunity to submit testimony in support of House Bill 1129.** We strongly urge you to support this bill to create meaningful progress toward fair wages and benefits for Maryland’s personal care aides. This legislation will help stabilize the workforce and improve care quality for Marylanders who rely on personal care services.

**About us.** PHI is a national nonprofit organization committed to strengthening the direct care workforce by producing robust research and analysis, leading federal and state advocacy initiatives, and designing groundbreaking workforce interventions and models. For 35 years, we have brought a 360-degree perspective on the long-term care sector to our evidence-informed strategies. As the nation’s leading authority on the direct care workforce, PHI promotes quality direct care jobs as the foundation for quality care.

**HB 1129 is an opportunity to build on Maryland’s leadership in supporting the direct care workforce.** Over the last few years, Maryland has taken steps to become a leader in supporting personal care aides—the people who make it possible for older Marylanders and people with disabilities to live safely in their homes and communities. Recently, the state took steps to eliminate misclassification in home care work; collect comprehensive data on the home care workforce and home care services; and create an advisory group of workers and employers empowered to make recommendations on the adequacy of Medicaid home and community-based services rates. According to PHI’s Direct Care Workforce State Index, Maryland ranks seventh in the nation for worker-supportive policies and direct care workforce economic outcomes, including strong policies like paid sick leave, paid family and medical leave, and expanded Medicaid.<sup>1</sup>

However, Maryland’s personal care aides still face low wages without the protections of a livable minimum wage or a wage pass-through to ensure that Medicaid reimbursements are largely applied to worker compensation, and many are unable to access paid sick and safe leave due to the small size of their employers. HB 1129 represents Maryland’s next step in building a stronger foundation for personal care aides, aligning with the state’s established commitment to both worker protections and quality care.

**Maryland faces a growing care crisis that demands policy change.** The demand for personal care services in Maryland is growing rapidly. Within the next decade, the number of adults aged 65 and older in Maryland is expected to increase by more than 245,000 (a 22 percent increase from 2025 to 2035), while the population of working-age adults will increase by approximately 137,000 (just under 4 percent).<sup>2</sup> Mirroring national realities, these trends contribute to a growing mismatch between the population demand for personal care services and the number of personal care aides available to provide those services. The poor quality of personal care aide jobs exacerbates this workforce shortage, as workers move to other sectors that offer better wages and benefits, more stable hours, opportunities for advancement, and other advantages.<sup>3</sup>

According to data from the Bureau of Labor Statistics, there were more than 38,000 home health and personal care aides in Maryland in 2024.<sup>4</sup> This workforce increased by 56 percent over the previous decade (2014 to 2024) due to the rising need for care coupled with individuals’ preferences to age in place and public policies that enable more people to receive home and community-based services.<sup>5</sup> These personal care aides allow Marylanders to live as independently as possible in their homes and communities while avoiding unnecessary hospitalizations and other institutional stays. Their labor also means that many unpaid caregivers—who are disproportionately women—do not have to partially or fully exit the labor force in order to ensure their family members can receive care at home.<sup>6</sup>

Looking ahead, Maryland is expected to add more than 6,000 new jobs to the home care workforce from 2022 to 2032 to meet growing demand.<sup>7</sup> Even more striking, the state will need to fill more than 58,000 *total* home health and personal care aide job openings in the same timeframe when also accounting for occupational turnover.<sup>8</sup>

Recruiting and retaining a sufficient workforce to meet Maryland’s care needs will require continued and concerted efforts to improve home care job quality. In Maryland, as in every state nationwide, personal care aides face considerable economic precarity: median annual earnings are just \$29,796, 47 percent rely on public assistance to make ends meet, 30 percent live in or near poverty, and 40 percent lack affordable housing.<sup>9</sup> These outcomes stem from historic underinvestment in a workforce that is predominantly female (84 percent) and people of color (85 percent), while half are immigrants (50 percent).<sup>10</sup>

Without meaningful improvements in personal care aide job quality, Maryland will increasingly struggle to recruit and retain the workers necessary to care for its aging population.

### **HB 1129 makes three critical interventions.**

- 1. Sets a \$17 minimum wage floor for personal care aides.** The bill requires Medicaid-funded provider agencies to pay personal care aides at least \$17 per hour, with written notice to workers of both this requirement and their actual pay rate. A targeted wage floor ensures that public Medicaid dollars are used responsibly to compensate workers fairly and more competitively, while helping to remove the economic precarity that forces so many personal care aides out of the field.
- 2. Extends paid sick and safe leave to all personal care aides.** Maryland’s Healthy Working Families Act currently only requires employers with 15 or more employees to provide paid sick leave. This leaves many personal care aides at smaller agencies without access to this essential benefit. HB 1129 ensures all personal care aides receive at least 24 hours of paid sick and safe leave upfront—either on January 1 of each calendar year or on their first day of employment—with additional accrual of 1 hour per 30 hours worked after completing 720 hours total hours of work. This provision recognizes that personal care aides should have the right to tend to their own health needs without jeopardizing their income or the health of their clients.
- 3. Directs the Maryland Department of Health to plan for the future.** HB 1129 requires the Maryland Department of Health to report on the steps that will be necessary to ensure that at least 80 percent of Medicaid payments for personal care services are spent on worker compensation, and that personal care aides receive an hourly wage of at

least \$20. This provision not only prepares the state to meet the requirements of the Centers for Medicare & Medicaid Services *Ensuring Access to Medicaid Services* final rule but would create a concrete plan to push personal care aide wages to a more appropriate level for recruiting and retaining the workforce Maryland needs in the years ahead.

**Research demonstrates the necessity of better compensation.** The evidence is clear that improving compensation reduces turnover and strengthens the workforce. Annual turnover rates in home care are nearly 80 percent, and research has consistently linked low wages to high turnover, recruitment difficulties, and workforce shortages.<sup>11</sup> Modeling research has shown that enhanced recruitment and retention associated with a living wage would add the equivalent of 330,000 direct care workers to this workforce, lower recruitment costs associated with high turnover, and increase productivity by at least \$5.5 billion nationwide.<sup>12</sup> This is likely to be especially true in Maryland, where direct care workers' wages lag more than \$2 an hour behind workers in competitive industries like retail and fast food.<sup>13</sup>

Paid sick and safe leave is also critical for workforce stability and quality care. Personal care services involve close, sustained contact with older adults and people with disabilities—many of whom are at elevated risk from infectious illness. Aides who lack paid leave face impossible choices between caring for their own health and losing income or coming to work sick and endangering clients. By providing upfront paid sick and safe leave, HB 1129 removes this burden from personal care aides from their first day of employment.

**Investments beyond HB 1129 are still critically needed.** Strengthening the direct care workforce (including personal care aides) requires investing in and improving job quality, which PHI defines in terms of quality training, fair compensation, sufficient supervision and support, respect and recognition, and real opportunity.<sup>14</sup> Ensuring personal care aides have a higher minimum wage and a wage pass-through as well as access to paid sick and safe leave is necessary *and* it is only one piece of what is needed: comprehensive investment in the quality of direct care jobs.

The solution to direct care workforce shortages is to ensure there is adequate funding in the system and that the funding is used to improve the quality of direct care jobs. Going forward, employers must have sufficient funds and capacity to

meet the requirements laid out in HB 1129. It is both possible and preferable to have a long-term services and supports system that provides quality, stable care *and* ensures quality jobs for all direct care workers.

**In conclusion**, PHI respectfully urges the Committee to support HB 1129 to better support Maryland’s personal care aides and those receiving personal care services. HB 1129 is a timely, pragmatic measure that builds on the state’s leadership in recognizing and responding to the direct care workforce crisis.

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## Notes

<sup>1</sup> PHI. 2024. “The Direct Care Workforce State Index.” <https://www.phinational.org/state-index-tool/>.

<sup>2</sup> Maryland Department of Planning State Data Center. 2025. Household Population Projections by Age, Sex and Race. <https://planning.maryland.gov/MSDC/pages/projection/projectionsbytopic.aspx>; analysis by PHI (February 25, 2026). “Working age” includes those aged 20 to 64 years old.

<sup>3</sup> PHI. 2025. *Direct Care Workers in the United States: Key Facts*. New York, NY: PHI.

<https://www.phinational.org/resource/direct-careworkers-in-the-united-states-key-facts-2025/>.

<sup>4</sup> PHI. 2026. “Workforce Data Center.” <https://phinational.org/policy-research/workforce-data-center/>.

<sup>5</sup> PHI, 2026.

<sup>6</sup> AARP. 2025. *Caregiving in the US Research Report*. Washington, DC: AARP.

<https://www.aarp.org/content/dam/aarp/ppi/topics/ltss/family-caregiving/caregiving-in-us-2025.doi.10.26419-2fppi.00373.001.pdf>.

<sup>7</sup> PHI, 2026.

<sup>8</sup> PHI, 2026.

<sup>9</sup> PHI, 2026.

<sup>10</sup> PHI, 2026.

<sup>11</sup> PHI, 2025; Joyce Famakinwa, *Home Care's Industry-Wide Turnover Rate Reaches Nearly 80%*, Home Healthcare News (July 3, 2024),

<https://homehealthcarenews.com/2024/07/home-cares-industry-wide-turnover-rate-reaches-nearly-80/>.

<sup>12</sup> LeadingAge LTSS Center @UMass Boston. 2020. *Making Care Work Pay*. Washington, DC: LeadingAge.

<https://www.ltsscenter.org/wp-content/uploads/2020/09/Making-Care-Work-Pay-Report-FINAL.pdf>.

<sup>13</sup> Kim, Jiyeon. 2024. *Competitive Disadvantage: Direct Care Wages Lag Behind— 2024 Update*. New York, NY: PHI. 2024.

<https://www.phinational.org/resource/competitive-disadvantagedirect-care-wages-are-lagging-behind-2024-update/>.

<sup>14</sup> PHI. 2021. *The 5 Pillars of Direct Care Job Quality*. New York, NY: PHI. <https://www.phinational.org/resource/the-5-pillars-of-direct-care-job-quality/>.