



DEPARTMENT OF HUMAN SERVICES

Wes Moore, Governor · Aruna Miller, Lt. Governor · Gloria Brown Burnett, Interim Secretary

March 5, 2026

The Honorable Heather Bagnall, Chair
House Health Committee
House Office Building, 6 Bladen Street
Annapolis, Maryland 21401

**RE: TESTIMONY ON HB 989 - STATE ASSISTANCE FOR THE ELDERLY -
CALCULATION OF INCOME - POSITION: INFORMATION**

Dear Chair Bagnall and Members of the Health Committee:

The Maryland Department of Human Services (DHS) thanks the Committee for its consideration and the opportunity to provide information on House Bill 989 (HB 989).

With offices in every one of Maryland's jurisdictions, DHS provides preventative and supportive services, economic assistance, and meaningful connections to employment development and career opportunities to assist Marylanders in reaching their full potential. Our Family Investment Administration (FIA) determines eligibility for the Medical Assistance program, a process which is affected by HB 989.

HB 989 would exempt income that an elderly individual receives from renting a portion of their residence from the calculation of income for purposes of eligibility for any "state tax credit, housing assistance program, or medical assistance program" designed to assist the elderly. As drafted, HB 989 does not define an "elderly" individual. Under current law, an individual must be at least 65 years of age to receive Medical Assistance in the "Aged, Blind and Disabled" category. DHS also wants to make clear that HB 989 could only apply to a *state-funded* "tax credit, housing assistance program, or medical assistance program," as any such program entangled with federal funding must comply with the federal eligibility requirements relative to an applicant's income.

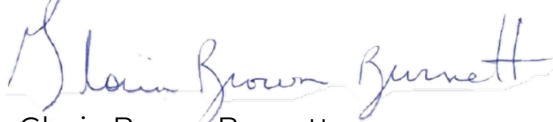
HB 989 would require DHS to work with the Maryland Department of Aging (MDOA) as needed to implement the law. The bill would require MDOA to review each state tax credit, housing assistance program, and medical assistance program and determine whether the proposed limitation on the calculation of income applies. MDOA would

then notify the state government agency responsible for administering identified programs of the policy changes under HB 989.

Under HB 989, DHS would need to make updates to the Eligibility & Enrollment (E&E) System - at a cost - to exempt rental income from elderly individuals applying for Medical Assistance without also exempting this income for other DHS-administered programs not affected by HB 989. DHS would also need to modify current notices sent to households. Given the significant uncertainty in federal policy and the escalating fiscal shortfalls forecasted through FY 2028, DHS urges caution against legislation that increases expenditures or diverts revenue without sustainable funding offsets. In light of the current fiscal crisis, the state must remain disciplined and strategic in its funding decisions to protect essential services for all Marylanders.

We appreciate the opportunity to provide information to the Committee for consideration during your deliberations. If you require additional information, please contact Justin Hayes, Acting Director of Government Affairs, at justin.hayes1@maryland.gov.

In service,

A handwritten signature in blue ink that reads "Gloria Brown Burnett". The signature is written in a cursive style with a large initial "G".

Gloria Brown Burnett
Interim Secretary