

HB1414\_RichardKaplowitz\_FAV

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Richard Keith Kaplowitz

Frederick, MD 21703

**TESTIMONY ON HB#1414- POSITION: FAVORABLE**

**Nursing Homes - Direct Care Wages and Benefits and Cost Reports**

**TO:** Chair Bagnall, Vice Chair Cullison, and members of the Health 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 HB#1414, **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.<sup>1</sup>

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 HB#1414.**

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