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Health and Government Operations  
Committee

*Subcommittees*

Public Health and  
Minority Health Disparities

Health Occupations and  
Long-Term Care

THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

**Testimony**

**HB 1151 Medicaid Room & Board for Hospice**

**with Amendment 913224**

**Health Committee**

**2/24/2026**

**What This Bill Does**

**HB1151** requires the Division of Health Care Financing, Medicaid, and the Health Commission within the Maryland Department of Health to study the impact of reimbursing room and board services for patients receiving care in licensed residential hospice facilities under the Maryland Medical Assistance Program. Specifically, it directs the Department to examine how providing Medicaid reimbursement for hospice room and board would affect patient access, care delivery, and Medicaid spending. The bill also requires the Department to report its findings to the Senate Finance Committee and the House Health Committee by September 30, 2026. By commissioning this study, the bill takes an important first step toward addressing long-standing reimbursement misalignments that influence where Marylanders receive end-of-life care.

Importantly, this is a patient choice bill. Nothing in this legislation forces individuals or families to choose hospice over a skilled nursing facility. Patients will continue to make end-of-life care decisions based on their medical needs, values, and preferences. This bill simply seeks to ensure that financial barriers within Medicaid do not distort those choices by making one setting far more affordable than another.

**Why We Need This Bill**

Maryland Medicaid is already paying for end-of-life room and board, but often in settings that are not the most appropriate or patient-centered. Currently, Medicaid covers room and board in skilled nursing facilities but does not reimburse these costs in licensed residential hospice facilities. This creates a powerful financial incentive that steers patients into institutional settings,

even when hospice houses may provide better symptom management, care coordination, and dignity at the end of life. As a result, Maryland has one of the lowest rates in the country of Medicaid beneficiaries who elect hospice care, significantly limiting access for low-income individuals and historically marginalized communities. Patients placed in skilled nursing facilities also frequently lose access to Medicare hospice benefits, further fragmenting care.

The overreliance on skilled nursing facilities for end-of-life care also presents broader systemic challenges. Many skilled nursing facilities are not resourced or staffed to provide the level of complex, comfort-focused care required for patients at the end of life. As a result, these patients are more likely to be readmitted to hospitals. These readmissions not only disrupt patient care, but also occupy acute care hospital beds and contribute to longer emergency room wait times.

The consequences of this misalignment extend beyond patient experience. Hospice care is associated with substantially lower hospital readmission rates compared to skilled nursing facilities, reflecting more effective symptom control and coordination of care. Despite frequent claims of a shortage of residential hospice beds, many beds remain unused because families cannot afford room and board costs without Medicaid coverage. At the same time, hospice providers face high fixed costs and unstable funding, often relying on philanthropy to remain open, which threatens the long-term sustainability of these facilities.

It is also important to note that this bill does not expand Medicaid or allocate new Medicaid spending. Rather, it asks the state to study a potential shift in how existing Medicaid dollars are used. Additionally, when patients who are appropriate for hospice care are able to access that setting, skilled nursing facility beds are freed up for individuals who truly require rehabilitative or skilled nursing services.

By studying the impact of Medicaid reimbursement for hospice room and board, this bill lays the groundwork for policy solutions that could improve patient choice, expand access to high-quality end-of-life care, reduce avoidable hospitalizations, alleviate pressure on hospitals and emergency departments, support families, and better align Medicaid spending with patient needs and Maryland's broader healthcare cost-containment goals.

I respectfully ask the Committee for a favorable vote on **HB1151 with Amendment**.