



The Senate of Maryland
ANNAPOLIS, MARYLAND 21401

TESTIMONY OF SENATOR SHELLY HETTLEMAN
HB 564– ASSISTED LIVING SUBSIDY

In the Senior Assisted Living Group Home subsidy program, the State provides supplemental payments for low and moderate-income seniors who live in an assisted living facility. It helps to pay for shelter, meals, housekeeping, personal care, etc. In order for seniors to be eligible for the assistance, their net monthly income can be no higher than 60% of the state median income, which is just over \$2,900, and their assets may be no greater than \$11,000. It is up to the individual assisted living facility to decide whether they will participate in the program.

Section 10-211 of the Human Services Article gives the Secretary of Aging the authority to “provide for, and set, by regulation, the amount of subsidies necessary from State general funds to assist low-income seniors to reside in assisted living programs as an alternative to more costly institutional care that is not required.”

Regulations, COMAR 32.03.03.07A specifically, outlines the cap on the subsidy, which is the lesser of:

(1) The difference between the subsidized resident's net monthly income and the facility's approved monthly fee or (2) \$650.

This is a subsidy that has been static at \$650 since 2002, when it was set as an emergency provision and became permanent in 2003. It's the only subsidy, outside of Medicaid, that will help a low-income senior afford the \$2,500-6,000/monthly assisted living cost.

It's been 17 years since this rate has changed and it's long past due for it to be increased. This is important both for the participation rate of assisted living facilities – we need to increase the rate in order to attract more facilities to participate, and we also need to increase it to pay for services.

Just last week, on the day of the Senate hearing, the Department of Aging submitted regulations to the AELR Committee to raise the subsidy, but it is very important that while that proposal is going through the regulatory process, we codify the increase and ensure that it will not stagnate for the next 20 years.

I hope you will agree and support this bill that will raise the rate and peg future links to the consumer price index. Thank you.