



Testimony on SB 539
Labor and Employment – Family and Medical Leave Insurance Program –
Establishment

Senate Finance Committee

February 27, 2020

POSITION: OPPOSE

The Community Behavioral Health Association of Maryland is the professional organization for providers of community-based mental health and substance use disorder treatment services. Our members serve the majority of the almost-300,000 children and adults who access care through the public behavioral health system. We provide outpatient treatment, residential and day programs, case management and assertive community treatment (ACT), employment supports, and crisis intervention.

We have numerous concerns about the impact of SB 539 on our organizations, their employees, and the clients they serve. The program is funded by an employee/employer matching arrangement. Our rates are set by the state Medicaid program, and, unlike other businesses, we cannot pass additional costs onto our customers. Almost half of our providers already operate in the red due to low reimbursement rates. Any additional unfunded mandates would only worsen an already challenging financial situation.

We are also concerned about the impact on employees, particularly at the low end of the pay scale. Many noted that they have 403(b) programs available for employees, but few direct line staff avail themselves of the program because of the employee contribution required. Their salaries are so low that many find it difficult to afford housing and other necessities. Some work multiple jobs to make ends meet. Investments – even ones such as 403(b) plans that would directly benefit them – are simply not affordable for them. SB 539 would require them to make contributions into a fund that they may never benefit from.

Some CBH members raised the issue of short-term disability. Once again, employees at the low end of the pay scale tend not to enroll in short-term disability plans if there is an employee contribution for same. Members who cover the total cost of short-term disability for their staff question the ability and rationale to continue doing so if this bill were to pass.

One of the biggest concerns is the effect this bill would have on staffing. Organizations such as ours that serve Medicaid recipients with serious mental health and substance use disorders already struggle with high staff vacancies (some close to 50%) due to the low salaries we can afford to offer. These vacancy rates are exacerbated by the number of employees on extended or intermittent leave (such as that covered by the Americans With Disabilities Act, the Family Medical Leave Act,



and the Maryland Healthy Working Families Act), and are even more pronounced in residential programs that operate 24/7, overnight, and on weekends. SB 539 would allow employees who have already taken 12 weeks of paid leave for their own qualifying health condition to then take an additional 12 weeks of paid leave for an additional qualifying condition, such as the birth of a child. Our organizations provide generous leave benefits as an offset to the low salaries offered. However, they must balance the needs of employees for time off against the responsibility they have to ensure client health, safety, and quality of care.

For these reasons we urge an unfavorable report on SB 539.