

February 2, 2023

To: The Honorable Vanessa E. Atterbeary, Chair, House Ways & Means Committee

Re: Letter of Support- House Bill 28 - Income Tax – Credit for Caregivers of Senior Family Members

Dear Chair Atterbeary:

On behalf of the Maryland Hospital Association's (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment in support of House Bill 28. Maryland hospitals are facing the most critical staffing shortage in recent memory. A 2022 <u>GlobalData</u> report estimates a statewide shortage of 5,000 full-time registered nurses and 4,000 licensed practical nurses. Without intervention, shortages could double or even triple by 2035. MHA's <u>2022 State of Maryland's Health Care Workforce report</u> outlines a roadmap to ensure Maryland has the health care workforce it needs now and into the future. One recommendation is to address social and economic drivers that cause health care workers to leave the profession, including the cost and availability of child and elder care.

HB 28 allows an individual who is a caregiver for a senior family member to obtain an income tax credit for qualified non-reimbursable expenses, such as home health care, companionship services, and respite care. By 2034, older adults will outnumber children for the first time in U.S. history.<sup>1</sup> According to a 2020 national report, more than one in five Americans cared for an adult or child with special needs in the past year.<sup>2</sup>

At a time when Maryland hospitals face historic workforce shortages, nearly 25% of Maryland nurses said caregiver support for children and the elderly would keep them from leaving the profession in the next few years.<sup>3</sup> Legislation like HB 28 offers important support for families who need it and aids our health care workers.

As our population ages, families and our health care system will be affected as we work to ensure there are enough health care workers to meet the need. For these reasons we request a *favorable* report on HB 28.

For more information, please contact:

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<sup>&</sup>lt;sup>1</sup> U.S. Census Bureau. "<u>Demographic Turning Points for the United States: Population Projections for 2020 to 2060</u>".

<sup>&</sup>lt;sup>2</sup> AARP and National Alliance for Caregiving. (May, 2020). "<u>2020 Report: Caregiving in the US</u>".

<sup>&</sup>lt;sup>3</sup> University of Maryland School of Nursing. (December, 2021). "<u>Maryland Nursing Workforce Center. Analysis of</u> <u>COVID-19's Impact on Maryland Nursing Workforce</u>".