

April 7, 2021

Minimum Wage Supplement for Medical Adult Day Providers – Written Testimony

First, I would like to express my thanks to the Council Members for the support you have shown to the Medical Adult Day Programs in the County.

The Mentor Network operates nine Medical Adult Day Programs in the State: four of our programs are in Montgomery County - two in Rockville and two in Gaithersburg. However, our participants come from almost every community in the County. Our four programs serve approximately 500 people daily and employ over 125 people. We primarily serve the following communities in Montgomery County: Russian, Korean, Chinese, Indian, Hispanic and Persian.

During COVID closure, Mentor centers have made daily phone calls to all of our enrolled participants to make sure they are safe and have the essential items they need. We have continued to assist with medication management and delivered medications; provided activity packets and on-line activity programs to help reduce the feeling of social isolation; assisted with transportation to doctor visits as needed and we have delivered over 150,000 meals. We were able to do this, in part, because of the financial support from the County.

Medical Adult Day Programs are simply the most cost effective option for providing care for our frail and disabled elderly. Nationally, Medical Adult Day Care cost for an individual is about \$1800/month; Assisted Living is about \$5000/month and Nursing Homes average over \$7800/month. In addition, Medical Adult Day Programs are shown to reduce the number of ER visits a person has. The cost of one ER visit alone can easily be more expensive than a full month of attending a Medical Adult Day Program.

Medical Adult Day Programs have been instrumental in allowing participants to remain living at home and being involved in their communities. Our programs help keep people out of much higher cost alternative settings such as Assisted Living facilities, hospitals and nursing homes. Our programs help families by providing a safe and secure place for their elderly loved ones to be during the day. This allows family members to attend work knowing that their loved one is being cared for.

Medical Adult Day Programs are all facing difficult and challenging operating conditions as we prepare to re-open centers to participants. We understand that most business are also facing these challenges, however, Medical Day Programs are paid a flat fee or daily rate by the State and not able to pass these increased costs to consumers like other business are able to.

Staffing is a huge concern as it is increasing difficult to find people willing to do direct care work for minimum wage when they can find other “easier” jobs that pay the same amount. Medical Adult Day Providers are facing restrictions in the number of participants we can transport in each vehicle and this will significantly increase the cost of operations and labor. We are also facing limits on the number of participants we can serve in the centers because of social distancing which limits the revenue we can generate on a daily basis. Providers must provide additional PPE for participants and staff and will also have significant increased cleaning and disinfecting costs for the centers and vehicles. Again, Providers are unable to pass any of these costs to the consumer.

The value and cost savings that Medical Adult Day Providers offer to the County and State is obvious. The services and care we provide to participants and families is unmatched by any other provider. We are asking that you continue to support our industry by increasing the Minimum Wage Supplement for Medical Adult Day Providers in the FY22 budget.

Respectfully,

Jeff Wright
State Director
The Mentor Network