



Honorable Council members,

04/09/26

On behalf of Montgomery County Adult Medical Day Care Coalition, whose members provide multicultural and socially-appropriate medical day care services to over 2000 elderly and disabled adults in our County on daily basis, we like to thank you and the County Executive for your continued support and recognition of the importance of medical day care services for our elderly and disabled adult populations.

As you know, Adult Medical Day Care (AMDC) are primarily Medicaid providers and as such are prohibited from passing along any increased costs of operations (such as those associated with the County minimum wage increase, or the recent historic inflation) to their participants. AMDCs also cannot set their own Medicaid rates, and thus depend entirely on the State and County for sufficient funding to deliver care to our most vulnerable populations. That is why in 2017, when the Council voted to increase the County's minimum wage to above that of the State's minimum wage, a budget line-item was created to provide supplemental gap funding to help ensure that Montgomery County AMDCs (who are facing higher costs of operations than those in other counties) can continue to function and deliver care and support to our growing aging and disabled population.

The Gap between the State's minimum wage and the County's effective wage is expected to increase on annual basis due to the fact that State's minimum wage is not indexed while the County's rate is. The Gap calculated for FY27 is more than \$4M as shown in the below table. The actual amount proposed by County Executive to fund this supplement is less than the actual gap amount, however, given the extreme budgetary pressures facing the County at the present time, we ask that the Council accept the County Executive's recommended budgetary amount.

County Effective AMDC Wage	State Wage	FY27 Gap Funding Amount
\$ 18.50	\$ 15.00	\$ 4,243,787

The need for the supplement is critical and even more important in FY27 as we face not only increased labor costs, but also significant increase in costs associated with transportation maintenance, fuel, insurance, and food.

We request that the County Council approve the supplement and consider it as "high priority" as it is essential for continued AMDC operations in Montgomery County.

Afshin Abedi, Ph.D.

President

Montgomery County Medical Day Care Coalition