



Dear Councilmembers,

My name is Neil Pain, and I serve as President and Chief Financial Officer of Advanced Nursing & Home Care. Our organization is a proud member of The Arc Montgomery Respite Consortium, and we are honored to provide respite services to caregivers supporting seniors and adults with chronic health issues throughout Montgomery County.

I am writing today to raise significant concerns regarding two elements of the proposed FY27 budget that, taken together, materially weaken the effectiveness and sustainability of the respite care system: the proposed HHS annual limitation of respite services to 120 hours and the continuation of the current reimbursement rate of \$33 per hour.

Respite care functions as a preventive intervention. County-funded respite helps stabilize caregiving arrangements, delays institutional placements, and reduces reliance on emergency and acute care services. Program outcomes are strongest when caregivers have access to regular, predictable relief. Reducing authorized respite to 120 hours annually—an average of just 10 hours per month—represents a meaningful decline in service adequacy for caregivers supporting individuals with complex medical, behavioral, or functional needs.

County and national data consistently show that caregiver stress, burnout, and health decline increase when relief supports are inconsistent or insufficient. These trends are correlated with higher rates of hospitalization, emergency room utilization, and long-term care placement—outcomes that carry significantly higher per-person costs than community-based respite services. A rigid annual cap undermines the preventive purpose of the program and increases the likelihood of cost-shifting to more expensive County systems.

Equally concerning is the continued gap between Montgomery County's respite reimbursement rate and the documented cost structure of home- and community-based service delivery. Since the last rate adjustment, providers have experienced sustained cost increases driven by:

- County minimum wage escalations.
- Intensified recruitment and retention pressures in a highly competitive labor market.
- Mandatory background checks, credentialing, and compliance requirements.
- Rising insurance, training, and administrative costs.
- At a rate of \$33 per hour, providers are increasingly unable to cover the full cost of service delivery while maintaining legally compliant wages, adequate supervision, and continuity of care. The result is predictable: reduced provider participation, workforce instability, staff turnover, and diminished service availability—particularly for caregivers with higher-acuity needs.
- The County's respite system relies on a stable, qualified provider network. When reimbursement fails to keep pace with labor and compliance costs, providers are forced to limit capacity, decline referrals, or operate at a loss. Over time, this erosion directly affects caregiver access and program equity, and places added strain on County oversight and referral systems.
- Despite these pressures, respite providers remain committed to serving Montgomery County's most vulnerable residents. However, maintaining program viability requires policy decisions that align authorized hours and reimbursement rates with actual service demand and economic realities.

Accordingly, we respectfully and urgently request the following:

- An adjustment of the respite reimbursement rate to \$36 per hour, reflecting current labor market conditions and the true cost of compliant service delivery; and
- Reconsideration of the proposed 120-hour annual cap in favor of 144 hours per year, which equates to a consistent 12 hours per month and aligns with evidence-based expectations for caregiver stabilization and prevention.

These requests are targeted, data-informed investments that would strengthen provider capacity, support workforce retention, and preserve the cost-containment function of respite services by preventing avoidable caregiver crises and downstream system utilization.

We urge the Council to evaluate these proposals not solely as line-item expenditures, but as preventive strategies that protect caregivers, stabilize families, and reduce long-term public costs.

Thank you for your time, your consideration, and your continued commitment to the individuals, families, and caregivers who depend on Montgomery County's respite care system.

Sincerely,



Neil Pain  
President & Chief Financial Officer  
Advanced Nursing & Home Care