



**Testimony of Jess Maurer on Behalf of  
the Maine Council on Aging  
to the Joint Standing Committees on  
Appropriations & Health & Human Services**

**In Favor of LR 3206 – An Act Making  
Supplemental Appropriations and Allocations**

Submitted in Person on February 19, 2020

Greetings Senators Breen and Gratwick, Representatives Gattine and Hymanson and members of the Joint Standing Committees on Appropriations and Health and Human Services:

My name is Jess Maurer and I'm the Executive Director of the Maine Council on Aging (MCOA). The MCOA is a broad, multidisciplinary network of nearly 100 organizations, businesses, municipalities and older community members working to ensure we can all live healthy, engaged and secure lives with choices and opportunities as we age at home and in community settings. I am testifying in favor of LR 3206, although we are urging amendments to this bill to include additional investments in the infrastructure that supports healthy aging.

We're living in complex and complicated times. We've got record low unemployment due to a severe and persistent labor shortage that is forecasted to last for years. Market forces are responding by driving up wages and benefits, allowing businesses to compete for limited numbers of workers. At the same time, Maine properly increased the minimum wage to ensure lower income people can afford to live while they're working in Maine. All of this is good news for workers, but has created a perfect storm for sectors of our economy that are dependent upon state-set reimbursement rates to make their business models work. When these rates don't keep pace with market forces, these employers cannot fairly compete with other sectors of the economy for workers and will necessarily fail if this situation doesn't change immediately.

LR 3206 proposes increased reimbursement rates for several such employers, including state-funded consumer-directed personal support services, state-funded Registered Nurse services, and seven assisted living facilities. We support these proposals and particularly urge you to vote in favor of including funding for these assisted living facilities. Without this funding, hundreds of frail older Mainers would be left without appropriate housing and services.

However, LR 3206, does not propose to increase reimbursement rates for direct care workers working across the long term supports and services continuum. This fall, the Commission to Study Long Term Care Workforce Issues met and heard considerable testimony from employers across this continuum, employers who employ nearly 30,000 workers collectively, that they are about to fail if reimbursement rates are not immediately increased to allow them to adequately compete for qualified workers. They heard that each week in Maine, 10,000 hours of approved care goes undelivered to Section 19 older and disabled adults because of the direct care workforce shortage. They heard that in the last 90 days, 60% of Maine's assisted living facilities and nursing homes declined a new admission because of staffing shortages. They heard that

older people are experiencing unnecessarily long stays in hospitals, filling critically needed beds, because they cannot be discharged to home or facilities because of these staffing shortages.

The Commission's Report, issued this January, recommends, among other things, that reimbursement rates be immediately increased to allow employers across the long term care continuum to pay direct care workers 125% of minimum wage. Although the fiscal note on this bill has not yet been prepared, this may cost in excess of \$30 million dollars. While LR 3206 proposes to put \$20 million away for a rainy day, we propose dedicating those funds to ensuring that older people can gain access to the care they need, either to live in their own homes, with their working caregivers, or in care facilities.

Undoubtedly, you have already heard about the closure of Home Care for Maine, which is leaving hundreds of workers and older adults in doubt about their future work and care. Before the Burns & Associates home care rate study was fully funded over the last several years for home care, rates for these services had not been increased since 1997. The Burns & Associate rate study was founded on 2014 data and did not take into account an increase in the minimum wage of \$4.50 that has happened since that rate study. These simple facts should easily demonstrate that a rate increase is critically needed. In addition, I also urge understanding that the same workers who provide direct care for home care agencies provide this same care in multiple settings across the long term care continuum. If rates are established to allow one part of the continuum to pay more for the same workers, other sectors are at increased risk of failure if their rates are not also raised. These include Maine's Homemaker Program, Adult Day Services, Adult Family Care Services, Private Non-Medical Institutions, and nursing facilities.

Employers in Maine's long term supports and services sector are in trouble and we cannot put off acting for another year. Our long term care system is nearing a point of collapse. The costs to older adults, their families, and our economy will simply be too high if this happens. This isn't just a rainy day in Maine; it's a serious hurricane, and we need to dedicate these funds to shoring up this industry now.

LR 3206 also proposes an allocation of \$10 million to support highways and bridges statewide and to support transportation innovation initiatives that reduce greenhouse gas emissions impacting our climate. Specifically, \$2 million is dedicated to the multi-modal transportation fund. We certainly support this proposal, but think that it does not go far enough to adequately funding Maine's public transportation system.

Maine ranks 38<sup>th</sup> in per capita public transit investments. While we spend \$.86 per person on public transit, our Vermont neighbors spend \$12.22. 72% of older Mainers live in communities without access to fixed route transit or one of the larger flex route transit systems. While we're doing all we can to support the creation and maintenance of "last mile" options through volunteer transportation programs, we simply must invest more in public transportation if older Mainers are to be able to live in their homes once they can no longer drive. We urge the Committee to consider allocating all \$10 million to multi-modal funding to increase and strengthen public transit options in Maine.

With these requests for amendments, I urge the Committee to vote in favor of LR 3206.

Thank you.  
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