



**Written 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 LD 2137 – Resolve, To Increase the
Reimbursement Rates for Home-based Services**

Submitted in Writing on March 9, 2020

Greetings Senator Gratwick, Representative Hymanson, and members of the Joint Standing Committee on 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 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 LD 2137.

As this Committee has heard from us time and time again this session, last session, and many times over the last ten years, Maine's system of providing long term supports and services to older and disabled Mainers is severely strained due to significant and pervasive underfunding and workforce neglect over the last two decades. Today, the cracks in the system have started to give way and the entire system is in danger of collapsing. This is why the MCOA proposed legislation to create the Commission to Study Long Term Care Workforce Issues that has just issued a report that outlines a pathway forward to addressing the many challenges involved with this industry and workforce.

We whole-heartedly support any and every bill that proposes increasing reimbursement rates for employers of direct care workers who work in any part of the long term care continuum. As the Commission met, members 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 with other industries who are not reliant on MaineCare reimbursement rates to set wages.

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 recommends that reimbursement rates be immediately increased to allow employers *across the long term care continuum* to pay direct care workers 125% of minimum wage. This is only a first step, and the Commission recommended that a rate setting

Commission be established and that rates be regularly revised to allow these employers to ensure rates will be increased appropriately over time.

LD 2137 proposes to increase reimbursement rates for home- and community-based service providers to a level that would allow them to sustain their business model. We support this effort.

However, we also urge the Committee to understand 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. Because of Maine's severe workforce shortage, any increase in reimbursement rates must be raised across the sector in order to avoid unfair competition for workers and the increased likelihood of failure of one part of the long term care continuum. Thus, if the Committee acts on this bill, we urge them to amend the bill to correspondingly increase rates in the same percentages for direct care workers working in the Homemaker Program, Adult Day Services, Adult Family Care Services, Private Non-Medical Institutions, and nursing facilities. To do anything else would create unfair competition for these workers at a time when the system is tenuous at best.

I urge you to amend LD 2137 as noted above and unanimously support the bill.

Thank you.
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