



LD 258, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025

February 22, 2023

Senator Rotundo, Representative Sachs, and members of the Joint Standing Committee on Appropriations and Financial Services; Senator Baldacci, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services:

My name is Laurie Belden and I serve as the executive director of the Home Care & Hospice Alliance of Maine -- a membership organization representing home care, home health care and hospice providers across the State. Thank you for the opportunity to provide comment on the proposed biennial budget.

The Alliance is a network of home care, home health care and hospice providers across our State delivering home-based care to older adults and disabled individuals of all ages - allowing them to stay in their home and community. Annually, our provider members deliver care to more than 45,000 clients in their residences across Maine, traveling more than 20 million miles. Collectively, home care, home health care and hospice members employ more than 7,000 staff – making this sector one of Maine’s largest employers.

Hospitals, nursing homes, and home care providers are like a 3-legged stool in the state’s healthcare landscape. While the state’s hospitals and nursing homes continue to struggle to care for the number of patients that arrive at their facilities, it’s important to recognize that home care and hospice providers help to relieve the stress on these two other systems by keeping patients out of acute and long-term care settings. If we do not support and bolster our system of in-home services, we will not be successful at relieving the pressure on hospitals and nursing homes.

The Administration and the Legislature have made some progress in recent years in supporting the home care sector. We are happy to see continued COLA payments in this budget proposal. In addition, we support the proposed ongoing funding for state-funded home care services (OADS Policy Manual Section 63). However, despite this progress, there is more work to be done to ensure Mainers are able to access high quality care in the home.

The economic hardships our providers continue to face even as the pandemic subsides mirror the acute-care sector, for example, increased pay for staff (including the reliance of temporary staffing agencies) and increased costs for personal protective equipment (PPE).

The Legislature has approved COVID-19 supplemental funding in recognition of the challenges experienced by hospitals and nursing homes. Home care and hospice providers are also challenged, and we are here today to urge you to add COVID-19 supplemental payment funding for home care providers into to the biennial budget.

Our members are challenged every day to meet the needs of children and older adults in hospitals throughout the state awaiting services at home for successful discharge. Patients across Maine who are approved for home care services are going without care due to staffing shortages and low MaineCare reimbursement rates. Our members are reporting operational losses of 15-20% on payments received from governmental payers, yet no dollars in the Governor's budget have been earmarked to support the operational recovery of the home care industry.

As our sector has not been included in the Department's past efforts to disburse COVID-19 supplemental payments, we are not aware of their methodology for payments; therefore we do not have an exact dollar amount we would recommend. We would instead recommend that the Department work with our providers to apply their methodology to our sector to determine an appropriate amount for relief funding.

Regarding rates, we were heartened to learn recently that the Department plans to conduct a rate determination process during this calendar year for clinical services provided by home care providers. This is critical for our members, as they cannot even begin to compete for nursing talent given the extremely low reimbursement rates for home care nurses. While the Legislature has taken important steps in recent years to address rates for direct care workers, no progress has been made on nursing rates. Our Alliance has been working with the Department on the need for this redetermination for years and we are thankful that these rates will be prioritized this year; however we were disappointed to see that funding has not been set aside in this biennial budget to implement rate increases for these nursing services.

Given that rate relief is still at least a year away, and in order to shore up the healthcare system and stabilize in-home services, we respectfully ask that the home care, home health care and hospice industry receive a COVID-19 supplemental payment to offset the historic cost trends that we experienced during the pandemic and continue as we transition out of the pandemic.

We need your help to acknowledge the important role this industry plays in the continuum of care and allocating relief funds will help sustain it as a viable option for Mainers needing care.

Providing critical funding now to help offset losses in Maine's home care and hospice industry is critical for:

- Ensuring access to care: Without adequate funding, home care and hospice providers may be forced to cut back on the services they offer, or even close their doors entirely. This could result in a shortage of providers, making it more difficult for patients to access the care they need.

- Supporting the workforce: The home care and hospice industry relies on a dedicated workforce of caregivers who provide vital support to patients in their homes. By providing additional funding, you can help ensure that these caregivers receive the compensation and support they need to continue providing high-quality care.
- Reducing hospitalizations: Home care and hospice services can help reduce the need for hospitalizations, which can be costly and disruptive for patients. By investing in these services, you can help prevent unnecessary hospitalizations and promote better health outcomes for patients.
- Saving money in the long run: Investing in home care and hospice services can actually save money in the long run by reducing the need for more expensive forms of care, such as hospitalizations and nursing home stays. By providing funds to support these services, you can help promote cost-effective care for patients.

By investing in these services, you can help ensure that vulnerable patients receive the care and support they need to live healthy and fulfilling lives.

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