



Testimony of Kristin Overton, Executive Director of SKILLS, Inc.

LD 210 An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027

**Joint Standing Committees on Appropriations and Financial Affairs
& Health and Human Services**

February 12, 2025

Good afternoon, Senator Rotundo, Senator Ingwersen, Representative Gattine, Representative Meyer, and esteemed members of both the Appropriations and Financial Affairs and Health and Human Services Committees,

My name is Kristin Overton and I am a resident of Chesterville and the Executive Director of SKILLS, Inc. and also a Board Member of MACSP and an Advisory Council Member of the Essential Care and Support Workforce Partnership. SKILLS is a non-profit organization in central Maine, serving people with intellectual and developmental disabilities for more than 60 years. I appreciate the opportunity to come before both Committees to provide testimony on the biennial budget.

I am here today to ask for your support to restore and allocate the funding needed in the biennial budget for MaineCare service rate cost of living adjustments and the pending rate determinations for MaineCare services for adults with intellectual disabilities, autism spectrum disorder and brain injury in the biennial budget. I also urge you to reject the language changes proposed in Section UU of the Budget, *LD 210 An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026, and June 30, 2027.*

The changes in Parts UU-2 and UU-3 of the budget would make COLAs and rate determinations dependent on available funding. It would set us back in time to the constant requests for sponsorship for bills, pitting MaineCare Section providers against each other again to request the legislature direct the Department to adjust rates, as was experienced prior to the Rate Reform System. These changes, as outlined, would not only undermine the progress we've made in creating a fair and transparent rate-setting system—one that ensures



agencies can sustain services for our state and the thousands of Mainers who rely on them every day, but the changes would be an unraveling of the entire rate system.

SKILLS provides more than 110 people with 24/7 residential support, in-home or community support, and employment supports under Sections 21, 29, and 97-F. We have 18 locations across Somerset, Northern Kennebec, and Southern Penobscot counties and our purpose is simple – to ensure that people with disabilities have the same things we all want – a safe place to live, people who care about them, and the opportunity to live, work, and belong in their community of choice. We employ 142 individuals, 126 of whom provide services as direct support workers. Our almost singular source of income (more than 96%) is MaineCare. I would love to have other funding streams to balance our agency finances and to be able to absorb the impacts of increased costs, however, there are no other funding sources of significance for the support services that we provide. Medicare, private and commercial insurance, and long-term care insurance do not pay for the services we provide; only MaineCare does. With a trim and lean operating structure, our business operations rely on a level of predictability and the assurances provided by the Department and in statutory requirements. The cost of living adjustment (COLA) is one of these.

Before the Rate Reform System was developed and implemented by the Legislature and State of Maine, the unpredictability of increases meant a lack of ability to plan, invest in our workforce, and grow services to meet evolving needs. The agency had closed 3 group homes and one community support program and was contracting in size and support and was in a circular survival mode due to staffing challenges. COLAs have meant that we've been able to increase our base starting pay from \$14.75 to just over \$16.75 in 3 years. While \$2.00/ hour may not sound like much, that has required an additional \$400,000 per year for wages for our agency alone. When the COLAs were not provided as mandated by statute on January 1, we were left shocked – we had already provided a small pay increase based on good faith and had hoped to provide more in January. Our employees are struggling – they are tired and burnt out and working large amounts of overtime – and still not making ends meet. We have 20 full-time open positions that we've not been able to fill since the pandemic. Last year, we hired 85 individuals for a net increase of 13. The number one reason people leave our organization is for pay – the job is much harder than what the compensation level provides. The work our direct care workforce does is critical and make no mistake, it is not entry-level work. These jobs need to be recognized and reimbursed as competitive jobs within the broader economic industry.

The Rate Reform System, as its designed, provides a predictability and a sense of value in the work that we provide. I urge both committees to direct the Department to allow it to work for at least 1 full cycle of 5 years. We've not had a rate setting adjustment since 2007. Business costs and employer requirements have increased and changed substantially in 18 years – but



our rate structure has not. Upholding the system as it's been designed and implemented isn't an "investment" – it's a necessity to prevent the collapse of the system. While a Rate Study was initiated in late 2023, we've still not seen a release of the proposed rates although we have been told that there will be no funds to adjust them in the biennial budget.

Please appropriate funding for annual MaineCare COLAs and pending rate determinations for adult IDD/BI services in the biennial budget and reject the proposed changes to Section UU.

Thank you for your time and consideration of my testimony. Please contact me with any questions you may have.

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