Sara Gagné-Holmes Commissioner



Maine Department of Health and Human Services
Office of MaineCare Services
11 State House Station
Augusta, Maine 04333-0011
Tel; (207) 287-2674; Fax (207) 287-2675
TTY: Dial 711 (Maine Relay)

April 23, 2025

Senator Ingwersen, Chair Representative Meyer, Chair Members, Joint Standing Committee on Health and Human Services 100 State House Station Augusta, ME 04333-0100

Re: LD 1509 – Resolve, to Maintain Access to Home and Community-based Services for Adults with Intellectual Disabilities, Autism Spectrum Disorder or Brain Injury

Senator Ingwersen, Representative Meyer and members of the Joint Standing Committee on Health and Human Services, thank you for the opportunity to provide information in opposition to Re: LD 1509 – *Resolve, to Maintain Access to Home and Community-based Services for Adults with Intellectual Disabilities, Autism Spectrum Disorder or Brain Injury.* 

As you are aware, DHHS is developing a new Medicaid-funded home and community-based services waiver – the Lifespan program – to support the needs of individuals with intellectual and developmental disabilities throughout all stages of their lives. The program will:

- Offer individuals flexibility to address goals and needs that change across the lifespan
- Improve supports for individuals transitioning from childhood to adulthood
- Support innovative services
- Facilitate greater employment and community participation
- Promote long-term sustainability, including responding to workforce challenges

As part of program development, provider payment rates must be established, and given the overlap with Sections 18, 20, 21, and 29, current payment rates for these programs were included in the Lifespan rate study.

Importantly, even the most straightforward rate studies – those in which there are no program changes or redesigns – can take around one year to complete and implement once a vendor is contracted. This includes time for the vendor to collect cost data from providers, analyze the data and validate the results with providers, propose a rate model and resulting draft rates to share with providers, and then collect and respond to provider comments and modify the model and resulting rates accordingly. The Department then needs to obtain CMS approval, adopt MaineCare rules, and make any necessary changes to our payment systems to implement the new rates.

This process takes longer when there are program changes or rate model re-designs, which is the case with the rates addressed in this Resolve. The Department presented its <u>proposed rate model</u> on April 14, 2025, with provider comments due April 29, 2025.

LD 1509 would require the Department to implement the rates from the study effective July 1, 2025. This date is not feasible given the need to collect and respond to public comments, obtain CMS approval, adopt rules, and

implement MaineCare payment system changes. The Department estimates that 10/1/26 is the earliest that new rates could be implemented.

Lastly, it is important to note that rates have not stayed static during this period. The Mills' Administration has made historic investments in rate increases. The table below shows the rate history for agency home support -- which accounts for the largest expenditures in Section 21.

	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	Change 2020- 2024
Hourly rate	\$27.72	\$27.72	\$32.13	\$34.78	\$35.66	28.6%

In addition, the Legislature included appropriations for a 1.95% cost of living adjustment for these services in the recently enacted baseline budget (PL 2025, c. 2), to be implemented for July 1, 2025.

The Department would be happy to provide additional information and further discuss the challenges associated with LD 1509 and our opposition to moving forward with the bill. Please feel free to contact me if you have any questions during your deliberation of this bill.

Sincerely,

Michelle Probert

Director

Office of MaineCare Services

Maine Department of Health and Human Services