

Testimony of Glen Cyr 5/2/2025

LD 1769, An Act to Ensure Data Reporting for Temporary Nurse Agencies

Senator Ingwersen, Representative Meyer, and Honorable Members of the Committee on Health and Human Services.

My name is Glen Cyr and I am the Senior Vice President of Finance for North Country Associates, Inc which oversees over 20 long term health care facilities throughout Maine.

I am testifying today on behalf of LD 1769 and in favor to the bill as proposed.

I reported 2 years ago to this committee on the exploding 3rd party nursing labor costs going from \$5 million to \$10 million to \$25 million and eventually \$40 million annually for the organizations which I work with. It is common knowledge that many health care facilities have closed as a result of these spiraling costs. I have been involved with several facility closures or sales of facilities which were repurposed to other uses. It was not an enjoyable experience. The state and

legislature did step in to provide temporarily financial assistance and we appreciated that. Thank you.

Our industry as a whole were collectively paying over \$150 million dollars annually for long term care 3rd party nursing agency services from the Maine Health Care Association (MHCA) survey data from 2021 thru 2022.

I do not have any current data for the overall long term care industry, but our organization's temporary nursing costs stand at approx. \$27 million annually for all facilities for 2024 and that includes a facility which closed and was spending approx. \$10+ million on its own.

The overall trending of agency costs is beginning to slowly reduce but not as quickly as we may all want it to and part of this may be attributable to less bed capacity.

Hospitals in Maine were paying even much more during this time period (figures which may have exceeded \$500 million in the same time period) and continue to pay and now the sad trend of hospital closures is underway.

Do you see a pattern here?

I want to be very clear in this statement – I am not here to take funding away from the hard working and dedicated nursing caregivers in Maine. They are the backbone and life blood of providing care to our residents, but many nurses have become independent contractors thru this 3rd party nursing care model and companies are profiting from it in record numbers both

locally and nationally. Of the estimated 240+ registered 3rd party nursing agency companies, only a handful are from Maine. Most of from out of state and are focused on the maximize financial return they can achieve.

There are countless articles and reports of this business model through the United States. Care is now being incentivized by money to a whole new level.

Maine care is the biggest payor for care in Maine and makes up over 70+% of our funding and as Stuarsts of our tax dollars by both the Legislature and DHHS, shouldn't you know what agencies are charging, spending and profiting from us all.

The continue collecting of vital and important data is critical so you can view for yourselves and the fiscal impact of this industry to health care and the taxpayers of Maine.

Thank you for your time and serving and representing Maine.