



In Re:

LD 2177: An Act to Update and Improve the MaineCare Reimbursement System

**Joint Standing Committee on Health and Human Services
February 11, 2026**

Good afternoon, Senator Ingwersen, Representative Meyer, and esteemed members of the Health and Human Services Committee. My name is Jennifer Putnam, I am the CEO of Waypoint Maine.

I am testifying today in opposition to LD2177, An Act to Update and Improve the MaineCare Reimbursement System. I want to share how Section 3 of LD 2177 would affect our ability to plan, stabilize services, and continue supporting the individuals and families who rely on us.

Waypoint is located in southern and western Maine and provides a wide range of services for children and adults with intellectual and developmental disabilities and autism, including a Pre-k through Grade 5 special purpose private school, case management and care coordination for children and adults and day programs and residential services for adults. With over 350 employees, we've supported thousands of adults, children and families for sixty years.

Every day, due to staffing shortages, particularly in our group homes, I am faced with decisions about paying overtime, hiring



costly temporary staffing, and how to remain competitive as the state's minimum wage continues to rise.

In 2022, we were so excited and relieved to learn of the bipartisan rate-setting framework, which we understood could provide us a clear picture of how to plan for wage adjustments for our direct care workers and other staff. The predictable COLA's tied to minimum wage meant we could plan and budget for our needs, as all business must. The framework also meant that we all shared a common goal, and one that is required by Medicaid: to ensure that rates are adequate to meet the service needs of people with intellectual and developmental disabilities. By changing the language to tie reimbursement adjustments based on appropriations, Section 3 walks back that commitment and obligation to people with disabilities. It sends providers back to the cycle of unpredictability that legislators fought to break away from.

At Waypoint, we have long since squeezed out all the efficiencies we can think of from a business standpoint. We have extremely low administrative costs and own all our group homes. Two years ago, we created a premium pay staffing model for our homes, which includes three day and four-day work weeks of 12-hour shifts, with base hourly pay during the week and premium pay (time and a half) on weekends for all staff. These efforts have been largely successful in retaining current staff and appeal to new staff as well.



But we are losing ground. If we can't be assured that as minimum wage rises, so will rates, then we can't increase the wages of our direct care workers. At Waypoint, we know our staff

deserve a competitive hourly wage for the hard work they do. We are keeping our commitment to our staff right now. Why? Because we know it's the right thing to do to ensure quality care for our members. This decision, though, is coming at a huge cost to our agency's bottom line. We are halfway through our fiscal year, and our group homes are currently underwater by almost \$800,000. The losses are staggering. Our agency's ability to continue to provide critical, and high quality, services depends on adequate and transparent rate setting and COLA's. We are extremely lucky that we can accommodate these losses in the short term.

I ask you to oppose LD2177. In doing so, you make clear your commitment to the people we are all tasked with caring for and supporting here in Maine. Please remove language that would make the MaineCare Rate Setting System (and thus any specific service reimbursement for providing services to individuals with disabilities), subject to available appropriations.

Thank you for your time.

Jennifer Putnam

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