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**Testimony of Senator Brad Farrin
Presenting L.D. 985, Resolve, To Require the Department of Health and
Human Services to Provide Additional Reimbursement to Maine Veterans' Homes
Before the Veterans and Legal Affairs Committee
March 20, 2023**

Senator Hickman, Representative Supica, and members of the Joint Standing Committee on Veterans and Legal Affairs: I am Brad Farrin and I have the honor of representing the people of Senate District 3, which includes towns in Kennebec, Somerset and Penobscot counties. I am before you today to present L.D. 985, *Resolve, To Require the Department of Health and Human Services to Provide Additional Reimbursement to Maine Veterans' Homes*.

As this committee knows well, and as the BerryDunn report from the Stakeholders Group makes clear, Maine Veterans' Homes (MVH) have an immediate and on-going need for additional funding. We heard from MVH's new CEO earlier in the month that MVH faces an estimated \$15.5 million yearly gap between its costs and its reimbursements. While MVH is able to reduce this gap to \$10.3 million by accessing federal VA funding, it still leaves the Homes in the red, year after year.

During the debate around L.D. 2001, we heard about the compassionate and high-level care MVH provides across its six locations. But we also heard the Homes need additional funding to maintain operations and continue this level of care.

This bill would provide that long-term, sustainable funding. By adjusting its reimbursement rules, the state would provide \$3.4 million in additional funds which would be matched with \$6.9 million in federal funds which, ultimately, would close this yearly \$10.3 million gap between reimbursement rates and costs to deliver that care.

I know MVH is pursuing an appropriation and I want to thank Governor Mills for including this provision in her biennial budget. For clarification, MVH is not requesting a \$3.4 million appropriation in the budget and passage of L.D. 985. By submitting this bill, I wanted to make sure we had the vehicle necessary to adequately fund the Homes in the future.

Whether the Homes are included in the baseline budget or through L.D. 985, the important point is that we—the Legislature—need and must adequately fund them. To underscore this point, let me read the statement of policy in L.D. 2001, now included as 37-B §601(1).

It is the policy of the State to ensure the provision of long-term care, support and services to eligible veterans and their family members in every region of the State and the intent of the Legislature that the Maine Veterans' Homes implement this policy by providing long-term care, support and related services to fulfill the State's moral obligation to

promote the well-being and dignity of the veterans who have served their nation, often in times of war and at great cost.

This makes the point exactly: the State has a **moral obligation** to provide for the care, well-being, and dignity of Maine's veterans and family members. The State can't simply direct that MVH continue to provide this care and these services without adequately funding them. You can't have this quality of care without an on-going and real financial commitment from the State.

Not only did L.D. 2001 note the State's moral obligation to partner with MVH to care for its veterans, but the law mandated that the Homes in Augusta, Bangor, Caribou, Machias, Scarborough, and South Paris "must remain in continuous operation," per 37-B §601(2). We cannot ask MVH to keep these Homes operational while providing the same level of care without adequately and sustainably funding them. We are MVH's partner in this initiative and we must step up with the funding necessary. We made this promise last year in L.D. 2001 and we owe it to MVH and, more importantly, its residents and their family members. We told Maine's veterans that MVH would be there for them. It's time for us to be there for MVH.

Thank you for your time.