



Joseph Baldacci
Senator, District 9

THE MAINE SENATE
131st Legislature

3 State House Station
Augusta, Maine 04333

Testimony in support of LD 744, “An Act to Ensure Access to Services for Adults with Intellectual and Developmental Disabilities by Requiring Rate Studies for Home and Community-based Services”

Representative Meyer and my esteemed colleagues on the Health and Human Services Committee, I am Senator Joe Baldacci, and I am before you today as the sponsor and speaking in support of LD 744, “An Act to Ensure Access to Services for Adults with Intellectual and Developmental Disabilities by Requiring Rate Studies for Home and Community-based Services.”

This legislation directs the Department of Health and Human Services to conduct rate studies during calendar year 2024 for MaineCare Waiver Section 21 Agency Home Supports Service (also known as group home service) and Section 21 & 29 Community Supports and Community Membership Services for people with intellectual disabilities or autism spectrum disorder.

The bill also directs the Office of Aging and Disability Services to convene a work group to advise the Department on the development of a daily rate payment system for agency home support service providers to be incorporated into the rate determinations.

The new rates determined through this process will be implemented no later than January 31, 2025.

I am amending the original language in three ways.

- Section 1: There are a number of services under Section 21 and Section 29. This amendment clarifies that rate studies be conducted *specifically* for Section 21 Agency Home Supports and Section 21 & 29 Community Supports and Community Membership Services, as was originally intended.
- Section 2 adds additional members to the work group, including consumers and parents.
- Lastly, this amendment adds a new Section, Section 4, which keeps in place a lower-than-normal minimum staffing level requirement for providers that has been provided under the Appendix K waiver due to the pandemic and workforce shortage crisis, and sets it at 85% following the end of the Appendix K waiver in November 2023, until such time as the new rates are in place in January of 2025.

Those of you who served with me on this committee in the 130th Legislature will remember that this committee unanimously supported my amendment to the budget to address the shortfall that was created in the Section 21 Group Home rate before the new rate setting system was in place.

For many years the State was failing to set a labor rate for Direct Support Professionals, within the rates paid to providers, that even met the then current minimum wage. The Mills administration and the Legislature rectified this in the first budget we passed in the 130th. This increase to the labor rates went into effect in January of 2022.



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Given the failure to keep up with market rates previously, this significant investment by the State, to continue providing the direct care and support services necessary for all of our citizens, was welcomed by those we entrust to provide these services on our behalf to their workforce, and the MaineCare members, and their families, who rely on them.

Unfortunately, DHHS, without any public notice or input, chose to increase the labor rate portion of the rates for group homes, but partially paid for this increase by actually cutting the program costs portion of the rate by 40%. Thus there was an overall increase in the rate, but never by the amount the legislature originally intended. Thus creating the need for this committee's amendment to the budget mentioned above.

Unfortunately, the funding was not considered or included in the final budget passed by the 130th Legislature.

As a state, we are losing staff, accessible housing stock, and unnecessarily disrupting vital, trusted relationships of people with some of the highest and most complex needs due to the lack of a viable rate to support staff for this 24/7 residential service.

More than 40 Community Supports program locations, and 75 group homes have closed since Jan. of 2021 and providers anticipate another 20 group homes are expected to close in the next 6 months.

As you know, the new rate-setting system calls for each MaineCare rate to be reviewed within the next five years. **The Group Home service and sister service, Community Supports, have not had an adopted rate study with IDD provider data in over a decade.** They were not included in this calendar year, but the Department has not yet announced what will be on the 2024 rate study agenda, This bill simply directs that the above mentioned services will be included.

I applaud the Department for its hard work in enacting and making significant progress on rate reform in our state.

This bill does not suggest specific rates for these services, nor does it come with any fiscal note that I am aware of. It only sets in motion a public and transparent rate study that considers providers data in the next possible cycle, calendar year 2024, to help sustain some of the most fundamental HCBS services for the IDD community that Mainers and their families rely on.

I urge your support. Thank you.