

Testimony of Todd Goodwin, CEO, John F. Murphy Homes, Inc.
Before the Joint Standing Committee on Health and Human Services
Testifying In Support Of
LD744

Resolve, to Direct the Department of Health and Human Services to Perform Rate Studies and Rate Determinations for Providers of Certain Services for Adults with Intellectual Disabilities or Autism Spectrum Disorder
April 13, 2023

Senator Baldacci, Representative Meyer, members of the Joint Standing Committee on Health and Human Services, my name is Todd Goodwin. I serve as CEO of John F. Murphy Homes, Inc., a large provider of disability services based in Auburn, Maine. We serve both children and adults.

I am testifying in support of LD744. My comments to follow are focused solely on the Agency Home Support service under Section 21. This is also known as the group home service.

Maine state statute as outlined in Title 34-B and federal Medicaid law as outlined in 42 C.F.R impose obligations on the state regarding funding to ensure sufficiency of qualified workers to meet the needs of persons with intellectual disabilities or autism who have been deemed eligible for services. Sufficiency of qualified workers is directly driven by the rate the state pays for the service.

I would like to share several facts that illustrate the need for a properly conducted rate study as called for in this bill:

Fact #1: The state has not adopted a revised rate model based on a properly conducted rate study for over a decade. I think you would agree that much has changed in broad market conditions within the last decade. Prices for everything have gone up.

Fact #2: Since the inception of the Deshaies rate methodology in 2007, the state has not presented any actual rate methodology for public comment despite a multitude of changes to the rate – both up and down – between then and now.

Over one year ago, a colleague and I submitted a formal request for rate methodology information under Maine’s Freedom of Access Act (FOAA). We have been working with the Department’s attorney in furtherance of this request. Over one year later we have not received what we have requested. One has to wonder why this is.

Fact #3: Prior to adoption of last session’s AAAA 125% initiative many of us asked for clarification of the methodology the state would use in implementing this initiative. To date the state has not elucidated exactly how the base rate is computed.

Fact #4: Despite recent increases in 2021 and again in 2022, the rate remains insufficient to meet the actual cost of providing the group home service.

As part of the recent global settings rule initiative we have executed leases with our group home residents which are separate and distinct from service agreements. To help our consumers understand how the lease and service agreement are related we provide each person with a Summary of Services (i.e., a document akin to an explanation of benefits statement).

John F. Murphy Homes subsidizes each group home resident on average \$400 per month, which translates to just shy of half a million dollars per year across our entire group program. I have read waiver applications and amendments. The state makes no mention of its expectation that provider agencies subsidize a service they are obligated to provide for under its waiver representations to the federal government.

The state relies upon its provider community to deliver the services it promises in its Medicaid waiver. The state conceives of this arrangement as a partnership with the provider community. A true partnership demands a shared reality and transparency around the rules upon which the partnership is founded. This is most certainly not the case with the rate methodology for the Agency Home Support service.

A properly conducted rate study as called for in this bill is essential if we ever expect to substantively rebuild a critical element of our overall service delivery system. I urge you to support this bill.



Respectfully submitted,
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