



**Testimony of Angela Cole Westhoff, President and CEO
Maine Health Care Association**

May 2, 2023, 1:00 pm

To the Committee on Innovation, Development, Economic Advancement and Business

In Support of LD 1797

***An Act to Expand Maine's Health Care Workforce by Expanding Educational Opportunities
and Providing Tax Credits***

Good afternoon Senator Curry, Representative Roberts, and members of the Committee on Innovation, Development, Economic Advancement and Business. My name is Angela Westhoff, and I am the President & CEO of The Maine Health Care Association. We represent approximately 200 nursing, assisted living, and residential care facilities (also known as Private Non-Medical Institutions or PNMIs) across the state. Our mission is to empower members to ensure the integrity, quality, and sustainability of long term care in Maine.

I am pleased to testify in support of LD 1797, *An Act to Expand Maine's Health Care Workforce by Expanding Educational Opportunities and Providing Tax Credits*. Highlights of this bill include establishing the Maine Health Care Education Training and Medical Residency Fund, which would support, among other things, statewide rural health care learning platforms and programs that seek to develop local health care education leaders. LD 1797 would also create a new income tax credit of up to \$500 a year for new nurses, for 3 years per eligible nurse, for employment in a licensed health care facility in the State.

The COVID-19 pandemic disrupted our industry, resulting in a nationwide thirteen-year low of long term care workers in the United States. 85% of Maine's recently surveyed facilities are facing a staffing shortage. Even before 2020, recruiting and retaining employees at long-term care facilities had been incredibly difficult when employers from other industries offer more pay and benefits.

This workforce shortage has major implications for our health care system. We estimate that we lost between 10 and 15% of the direct care workforce, including CNAs, RNs and LPNs. The limited supply of workers has led labor costs to skyrocket, especially with facilities having to hire temporary nurse agency workers. Anything that Maine can do to incentivize recruitment and retention of well-trained healthcare workers should be explored. We believe this new nurse retention tax credit is an innovative approach to try and address the workforce crisis. Taking no action is not an option. We have experienced 15 long term care facilities closing since 2020, with a recent announcement that more facilities are closing in the coming months. Maine already has the oldest population in the United States, and we are projected to get older. Now is not the time to be losing nursing homes and residential care facilities. Increased staffing and adequate funding are the only two ways to prevent more facility closures from happening.

In summary, LD 1797 is a critical piece of legislation that will help address Maine's health care worker shortage and we thank Senate President Jackson for sponsoring this bill. By expanding educational opportunities and providing tax credits to health care providers, we can help ensure that Maine has a well-trained workforce that can meet the needs of our communities. Thank you, and I urge you to support this bill.