



**Testimony of Laura Cordes
In Support of Section 2 of LD 2243**

Resolve, Directing the Department of Health and Human Services to Amend MaineCare Rules Governing Certain Types of Behavioral and Mental Health Services and to Form a Stakeholder Group to Study Methods for Improving Those Services

**Joint Standing Committee on Health and Human Services
March 7, 2024**

Good afternoon, Senator Baldacci, Representative Meyer and esteemed members of the Health and Human Services Committee. Thank you for the opportunity to present testimony on LD 2243 Resolve, Directing the Department of Health and Human Services to Amend MaineCare Rules Governing Certain Types of Behavioral and Mental Health Services and to Form a Stakeholder Group to Study Methods for Improving Those Services.

My name is Laura Cordes. I am the Executive Director of the Maine Association for Community Service Providers (MACSP). MACSP is the statewide association of more than 90 individual, mission driven agencies providing person centered and individualized educational, vocational, residential and community supports, as well as specialized services and care, to several thousand of Maine's children and adults who have either intellectual disabilities, autism spectrum disorder, or brain injuries, so that they may live full and meaningful lives in the community.

MACSP represents several providers of MaineCare Section 97 PNMI Appendix F - Non-Case Mixed Medical and Remedial Facilities - for adults with disabilities. Separate from Section 21 and 29 residential supports that you are likely more familiar with, this is a small 24/7 residential service with an estimated dozen providers, supporting roughly 135 people across 23 homes.

Providers of PNMI Appendix F have been operating with a significant financial loss due to an outdated rate model that does not adequately support routine/variable and fixed expenses. Along with Section 97 Appendix E, providers of Appendix F had been optimistic about the rate determination scheduled to take place in 2023, as these services were included in the MaineCare Rate Determination Schedule.¹

I serve on the MaineCare Advisory Committee (MAC) and Chair the MAC Rate System Subcommittee, where we receive updates from the Department on the progress of their work. As the months went by in 2023, no action was taken to initiate the determination process for these services as planned, and as we approached 2024, our concern was replaced by deep disappointment when instead of being carried over into the 2024 Rate Determination Schedule, the Department chose to abandon rate determinations for these two services altogether for this year.² Providers who had hoped in good faith

¹ MaineCare Final 2023 Rate Determination Schedule
<https://www.maine.gov/dhhs/sites/maine.gov.dhhs/files/inline-files/2023%20Final%20Rate%20Determination%20Schedule%20.pdf>

² MaineCare Final 2024 Rate Determination Schedule
<https://www.maine.gov/dhhs/sites/maine.gov.dhhs/files/inline-files/2024%20Final%20Rate%20Determination%20Schedule.pdf>

that the Rate Determination System would work are now at a crossroads. A few have made the difficult decision to close their homes.

Section 2

We are in strong support of Section 2 of this bill which would require the Department to reimburse at least 75% of a private nonmedical institution's as-filed settlement pursuant to the facility's cost reports within 90 days of receipt of the cost reports.

As of December, 2023, five of our members report that they combined are owed nearly *one million dollars* from MaineCare for audits from services dating back to FY2019 that have yet to be completed and settled. Combined with the fact that the Rate Determination for PNMI F was not undertaken in 2023 as scheduled, and was subsequently eliminated from the 2024 MaineCare Rate Determination Schedule, the lack of adequate funding and payments have put this service in jeopardy.

Our community of providers rely on timely MaineCare payments to provide quality services to adults with disabilities. We understand that delays are to be expected from time to time. We are sympathetic to current staffing shortages and understand that audits of federal pandemic funds have contributed to additional delays in the Department. Providers however should not be expected to endure the hardship of year over year payment delays.

This same requirement found in Section 2 was adopted last year for PNMI Appendix C programs and we ask that it be adopted for Appendices E and F programs as well.

Section 4

Section 4 of this resolve requires that MaineCare rule changes from this bill be repealed following a rate determination for Section 97 Appendix E and Appendix F. We believe that this is intended to be applied to Section 1 only, and not Section 2 and would encourage the committee to amend this section for clarity.

Section 5

Lastly, we understand that the intent of Section 5 is to develop a stakeholder group to make recommendations on how to develop more sustainable models for Section 97 Appendix E and F. We believe such a stakeholder group would be beneficial and would encourage the committee to support such a group with amended language that specifies these two specific types of PNMI's.

Thank you for your time and consideration. I would be happy to answer any questions you may have.

Respectfully Submitted,
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