



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

Testimony before the Committee on Appropriations and Financial Affairs and the Committee on Health and Human Services in opposition of

LD 210, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027

Public Hearing: Friday, February 14, 2025 at 10:00 AM

Senators Rotundo and Ingwersen, Representatives Gattine and Meyer, as well as Distinguished Members of the Committee on Appropriations and Financial Affairs and the Committee on Health and Human Services:

My name is Angela Westhoff, and I serve as the President & CEO of the Maine Health Care Association. We represent approximately 200 nursing homes, assisted living centers, and residential care facilities across the state. Our mission is to empower members to ensure the integrity, quality, and sustainability of long term care in Maine. I am testifying in opposition to the proposed Biennial Budget as it does not do enough to ensure the sustainability of long term care for Maine's older adults.

We appreciate all the competing priorities that the legislature has to balance. However, given that our providers continue to struggle to stay open and with a historically high rainy-day fund left untouched, we implore you to allocate the resources needed to help long term care providers keep up with the cost of care. As I am sure you know, Maine has lost 29 nursing homes and 28 residential care facilities since 2014. Put differently, we have lost over 20% of our state's nursing facilities while the oldest state in the country continues to grow older. If no action is taken to address the funding shortfall for direct care worker wages, additional facilities will close, access to long term care will further deteriorate, and our most vulnerable citizens will be left without adequate care.

We are grateful for the maintenance of baseline funding as well as the addition of \$10 million per year in all funds for nursing facilities (pages A-366 and A-367), which was a promised increase to ensure the

newly developed rates for nursing homes can be fully implemented. We do remain deeply concerned that there is no funding allocated for cost-of-living adjustments (COLA) in the future. Without COLA adjustments, facilities will further struggle to retain and recruit staff, exacerbating workforce shortages to an even more alarming degree.

For residential care facilities, also known as private non-medical institutions (PNMIs), the lack of a COLA or any adjustments to meet 125% of minimum wage, means that providers will face increasing financial strain, impacting their ability to support and care for Maine's older adults.

Although not currently part of this bill, I must also note that the Department is attempting a major substantive rulemaking process to add significantly onerous regulations and increased staffing requirements for Maine's residential care facilities. The Department's own economic impact statement estimates an annual cost increase of \$100,000 per assisted living home and between \$178,000 and \$262,200 per residential care facility with approximately 1,000 licensees impacted. Where will these resources come from?

We urge the committee to take action to support direct care workers and to not burden providers with additional unfunded mandates. Maine's long term care system is already at a crisis point, and failure to address these financial gaps will only push more facilities toward closure, leaving vulnerable populations without essential services.

Thank you for your time today, and I would be happy to answer any questions.