

**Testimony of Mary Jane Richards-McDade, CEO  
North Country Associates**

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 Mary Jane Richards-McDade, and I am the CEO for North Country Associates. We manage and own 18 Long Term Care, Residential Care and Intermediate Care Facilities for those with Intellectual Disabilities. I am testifying in opposition to the proposed Biennial Budget as it jeopardizes the supports and services older people in Maine have come to trust and rely on.

I appreciate the difficulties this biennial budget creates for all of you. However, I have been closely involved in multiple Nursing and Residential Care facility closures over the past several years and I know that passing this budget as written will force more to close to include several Residential Care centers. The closures I experienced were necessary because they were no longer sustainable as businesses. Or in other words, the cost of providing care outweighed the reimbursement they received from the State. Please consider what a closure means for the people that entrust their care to us and for the families that don't necessarily want to have their loved ones live in a facility but have no other choice because the care some people require is beyond what non-skilled community members can provide. I have seen countless families torn apart because the closure of their local facility has caused their loved ones to move many miles and hours away because there were not enough local beds to serve their communities. This biennial budget will put many more facilities out of business. The responsibility falls on you to recognize what this budget represents for long term supports and services.

I was part of the Long Term Care Workforce Commission aimed to address the worker shortage we have experienced prior to and since the pandemic. One outcome from this Commission was to pay all healthcare workers 125% of minimum wage. This change went a long way in recognizing our healthcare workers for the hard work they do, it also helped us to recruit staff to fill our multiple staffing vacancies. This change however is not included in the budget. So where does this leave employers? Do we take money back from our staff since this increase in wages is no longer funded? This puts an impossible strain on the few existing facilities we do have.

I am so grateful for the additional money we have received since January for nursing facility rate reform. While I am still unsure of the long term effects of these rates, since the nature of the changes to MaineCare Reimbursement will alter over time, but I am so thankful for the stability these new rates have brought to our communities for the time being.

However, for residential care facilities, or private non-medical institutions (PNMIs), they face a great deal of uncertainty with this budget as written. Their MaineCare rates did not change when the nursing home rates were revised. Going forward there is not only no funding to pay workers 125% of minimum wage, or a cost of living adjustment, we are also presented with changes to the rules about staffing these communities. The staffing changes in the provisionally adopted rule will cost NCA millions of dollars over the next two years. We measure acuity in Long Term Care and Residential Care, and while one of the reasons DHHS has suggested our staffing in PNMI's should increase is the residents we are caring for are those people that used to live in our nursing homes. I find no facts to support this argument. In my review of North Country's Case Mix, a measure of resident acuity, the rates have been relatively flat over the last five years. Our facilities are responsible for the people they serve and to that end will increase staffing as needed to meet the needs of these individuals. The requirement for an increase in mandatory staffing levels will put many of our facilities at risk of closing. The PNMI's are not funded in this Biennial Budget for these additional costs and there continues to be a worker shortage. Where will these additional staff come from?

I strongly urge you all to take action to support our direct care workers and help to save the remaining Long Term and Residential Care facilities we do have. To not do so, in my opinion, is irresponsible.

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