

Testimony of Commissioner Sara Gagné-Holmes and
Deputy Commissioner of Finance Benjamin Mann
Department of Health and Human Services

Before the Joint Standing Committee on Appropriations and Financial Affairs and
The Joint Standing Committee on Health and Human Services

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

Hearing Date: February 24, 2025, 10:00am

Senator Rotundo, Representative Gattine, Senator Ingwersen, Representative Meyer, Members of the Joint Standing Committee on Appropriations and Financial Affairs and Members of the Joint Standing Committee on Health and Human Services; my name is Sara Gagné-Holmes, Commissioner of the Department of Health and Human Services (DHHS). I am here today to speak in support of LD 210, the Governor's budget proposal for the 2026-2027 biennium. I will introduce our testimony and help answer questions; Deputy Commissioner Benjamin Mann will testify on individual initiatives and will also be available to answer questions.

Overall Budget

Maine – like many states, both blue and red – is facing a tight budget environment. The Mills Administration has spent months carefully developing a balanced budget proposal to preserve the programs lawmakers and Maine people support, including education, revenue sharing, public safety, higher education, and school meals, while also protecting the long-term fiscal health of Maine.

Ultimately, we took a balanced approach: one that makes some investments - including operational needs such as technology efficiencies, health and safety improvements, collective bargaining impacts, etc. - that proposes some spending cuts, and that makes some targeted revenue increases. We know these proposals are difficult and appreciate that you will consider them with an open mind.

We look forward to working with you over the coming months to enact a budget that supports our greatest asset of all: the people of Maine.

Highlights from Department of Health and Human Services

The Maine Department of Health and Human Services (DHHS) is dedicated to promoting health, safety, resilience, and opportunity for Maine people. The Department provides health and social services to almost a third of the State's population, including children, families, older Mainers, and individuals with disabilities, mental illness, and substance use disorders. My executive leadership team and I understand the importance of these services to the health and wellbeing of not only the Maine people accessing these services but their families as well.

Nevertheless, in light of state revenues leveling off and in order to ensure these services are sustainable in the long term, we made hard decisions to rebalance and make certain program adjustments. To that end, I want to provide you with some insight into our decision-making.

We had to include difficult tradeoffs in the budget given the current budget environment. Our general approach to making those decisions included 1) rolling back programs and/or funding that are not implemented yet, 2) rolling back programs and/or funding that are still new and only implemented recently, and 3) looking to other states and national averages as a reference point to assess level of support currently provided by programs in Maine. These guideposts helped inform us how to build and rebalance the budget before you.

We did not arrive at the budget proposals lightly nor were they without heated debate. Ultimately the budget proposals before you today maintain core supports and services across the Department.

I will now turn it over to Deputy Commissioner Mann to speak more specifically about the DHHS biennial budget.

Departmental Biennial Initiatives

Senator Rotundo, Representative Gattine, Senator Ingwersen, Representative Meyer, Members of the Joint Standing Committee on Appropriations and Financial Affairs and Members of the Joint Standing Committee on Health and Human Services; my name is Benjamin Mann, Deputy Commissioner of Finance at the Department of Health and Human Services.

A couple of housekeeping notes before I begin: You know by now that the traditional budget language that directly aligns to the Governor's printed budget is italicized in this testimony. And my oral testimony today will summarize each initiative so that it's easier to understand. Thus, my testimony today is 26 pages, but I won't be reading it all. And per the guidance from the committee, I won't be covering certain more administrative initiatives such as reclassifications and revenue adjustments. These are included in the appendices to this testimony. There are also several initiatives that appear more than once in the budget because they are funded in multiple programs, but I will only read them once. Those are summarized in a table after the initiative for your reference.

Children's Services

Child Care Services

The first program on page A-300 is **Child Care Services – 0563**. This program supports the child care subsidy program by providing subsidies for qualifying families and supports training for child care providers. This program has 9 initiatives.

1. The first initiative (C-A-1711) on page A-300 transfers and reallocates one position in the Office of Child and Family Services (OCFS) to align with current responsibilities. This position supports information technology activities across the entire office. This initiative saves General Fund annually and can also be found on page A-381.

Program		Page	SFY 2026		SFY 2027	
			General Fund	Other Special Revenue Funds	General Fund	Other Special Revenue Funds
0307	All Other	A-381	\$ 5,225	\$ 3,985	\$ 5,225	\$ 4,003
0307	Personal Services	A-381	\$ 87,760	\$ 34,130	\$ 88,641	\$ 34,472
0563	All Other	A-300	\$ (7,256)	\$ -	\$ (7,256)	\$ -
0563	Personal Services	A-300	\$ (121,890)	\$ -	\$ (123,113)	\$ -
Total			\$ (36,161)	\$ 38,115	\$ (36,503)	\$ 38,475

The first initiative (C-A-1711) on page A-300 transfers and reallocates one Management Analyst II position from 100% Child Care Services program, General Fund to 72% General Fund and 28% Other Special Revenue Funds in the Office of Child and Family Services - Central program and adjusts funding for related All Other costs. The Management Analyst II position is part of the Information Services Unit within the Office of Child and Family Services (OCFS), which provides services to meet the needs of all OCFS programs not just the Child Care Services program. This initiative reduces General Fund Personal Services funding by \$121,890 in state fiscal year 2026 and \$123,113 in state fiscal year 2027 and reduces All Other funding by \$7,256 in state fiscal years 2026 and 2027. This initiative can also be found on page A-381.

2. The next initiative (C-A-1707) on page A-301 continues one limited-period position to serve as the Child Care Data System Coordinator. OCFS is developing a new child care management system to replace the outdated legacy system and this position is critical to this project's success.

The next initiative (C-A-1707) on page A-301 continues one limited-period Social Services Program Specialist II position previously continued by Financial Order 003671 F5 through June 12, 2027 to serve as the Child Care Data System Coordinator and provides funding for related All Other costs. This initiative increases Federal Block Grant Fund Personal Services allocation by \$134,634 in state fiscal year 2026 and \$136,036 in state fiscal year 2027 and All Other allocation by \$14,921 in state fiscal year 2026 and \$14,996 in state fiscal year 2027.

3. The next initiative (C-A-1708) on page A-301 continues one limited-period position to serve as the Help Me Grow Family Support Specialist. Help Me Grow is a free informational service that has connected over 1,000 children and their families to community resources and child development services since 2022 and has also provided over 250 developmental screenings.

The next initiative (C-A-1708) on page A-301 continues one limited-period Developmental Disabilities Resource Coordinator position previously continued by Public Law 2023, chapter 643 through June 12, 2027 to serve as the Help Me Grow Cultural Broker/Family Support Specialist and provides funding for related All Other costs. This initiative increases Federal Expenditures Fund Personal Services allocation by \$38,340 in state fiscal year 2026 and \$120,312 in state fiscal year 2027 and All Other allocation by \$2,620 in state fiscal year 2026 and \$7,047 in state fiscal year 2027.

4. The next initiative (C-A-1722) on page A-301 continues one limited-period Financial Specialist position for the Child Care Affordability Program (CCAP). This position makes decisions regarding family applications for CCAP and provides support for questions related to procedures and rules for families receiving subsidy. This position is 100% Federally funded.

The next initiative (C-A-1722) on page A-301 continues one limited-period Financial Resources Specialist position previously continued by Public Law 2021, chapter 635, through June 12, 2027 and provides one-time funding for related All Other costs. This position is responsible for making decisions regarding Child Care Affordability Program (CCAP) family applications and for procedures and rules for those receiving subsidies. This initiative increases Federal Block Grant Fund Personal Services allocation by \$100,391 in state fiscal year 2026 and \$101,782 in state fiscal year 2027 and All Other allocation by \$13,067 in state fiscal year 2026 and \$13,141 in state fiscal year 2027.

5. The next initiative (C-A-1721) on page A-301 continues 5 limited-period positions to perform management and oversight functions for the Pre-school Development Grant. The Preschool Development Grant provides \$8 million per year for three years for child and family services, including expanded outreach to families, pilot projects, and professional development for child care educators. These limited period positions are 100% Federally funded.

The next initiative (C-A-1721) on page A-301 continues 3 limited-period Social Services Program Specialist II positions and one limited-period Social Services Program Manager position previously continued by Public Law 2023, chapter 643 and one limited-period Social Services Manager I position established by Financial Order 003673 F5 through June 12, 2027 and provides funding for related All Other costs. These positions perform critical management and oversight functions for the U.S. Department of Health and Human Services' Administration for Children and Families Pre-school Development Grant. This initiative increases Federal Expenditures Fund Personal Services allocation by \$295,110 in state fiscal year 2026 and \$668,173 in state fiscal year 2027 and All Other allocation by \$31,243 in state fiscal year 2026 and \$74,331 in state fiscal year 2027.

6. The next initiative (C-A-1710) on page A-301 continues one limited-period position to serve as a Licensing Specialist for the Child Care Development Fund (CCDF) licensing and investigation services. This position is carrying out and improving compliance with federally required licensing responsibilities. It is 100% Federally funded.

The next initiative (C-A-1710) on page A-301 continues one limited-period Community Care Worker position previously continued by Public Law 2021, chapter 635 through June 12, 2027 and provides funding for related All Other costs. This position serves as a Licensing Specialist for the Child Care Development Fund (CCDF) licensing and investigation services and additional coordination with the Child Care Subsidy Program specific to license-exempt providers as noted as a weakness during the most recent federal Office of Child Care program audit. This initiative increases Federal Block Grant Fund Personal Services allocation by \$92,256 in state fiscal year 2026 and \$96,927 in state fiscal year 2027 and All Other allocation by \$13,273 in state fiscal year 2026 and \$13,512 in state fiscal year 2027.

7. The next initiative (C-A-1724) on page A-301 reduces Federal Block Grant allocation to align with available resources. The Department received additional one-time funding due to the COVID-19 pandemic that has now expired, so allocation can be reduced.

The next initiative (C-A-1724) on page A-301 reduces funding in the Child Care Services program, Federal Block Grant - ARP to align allocations with projected available resources. This initiative reduces Federal Block Grant Fund-ARP All Other allocation by \$40,919,784 in state fiscal years 2026 and 2027.

8. The next initiative (C-A-7735) on page A-302 reduces funding recently provided for the child care employment award program. The FY24-25 biennial budget created a two-year pilot program that provides scholarships to child care workers to help defray the cost of child care for their own children. Eligible workers could alternatively receive subsidy through the Child Care Affordability Program as opposed to this program. In alignment with our criteria for developing this budget, given state wide budget constraints, we are proposing to end this new program which began this fiscal year.

The next initiative (C-A-7735) on page A-302 reduces funding approved in Public Law 2023, chapter 412, for the child care employment award program, which includes child care staff in the Maine Child Care Affordability Program. This initiative reduces General Fund All Other funding by \$2,500,000 in state fiscal years 2026 and 2027.

9. The next initiative (C-A-7733) on page A-302 reduces funding that was recently doubled to provide a monthly stipend for child care workers. The program provides monthly payments to child care centers and family child care programs for teachers and staff to receive one of three tiered amounts based on their level of education and experience. The Mills Administration has made significant investments to attract and retain high-quality workers in Maine's child care

industry, including infrastructure grants, stability grants, and this new stipend. As background, in September 2021, DHHS issued stipends to child care workers using temporary federal funds. In 2022, General Funds were first used to replace expiring federal dollars. In 2023, the legislature doubled the funding amount from \$15 million to \$30 million. In alignment with our criteria for developing this budget, and given state wide budget constraints, we are proposing to return to the original level of \$15 million annually for child care stipends.

The next initiative (C-A-7733) on page A-302 reduces funding approved in Public Law 2023, chapter 412, to double the monthly wage supplement for child care workers. This initiative reduces General Fund All Other funding by \$15,000,000 in state fiscal years 2026 and 2027.

Child Support

The next program on page A-303 is **Child Support – 0100**. This program provides for both direct and indirect expenditures for the development of policy and the administration of the child support enforcement and recovery program under Federal Title IV-D of the Social Security Act. There are no initiatives for this program.

Children's Health Insurance Program

The next program on page A-304 is **Children's Health Insurance Program – Z422**. This program has one initiative that was previously discussed.

1. This initiative (C-A-2111) on page A-304 adjusts appropriated funding to better align with anticipated actual expenditures following the implementation of the new consolidated structure of non-administrative MaineCare appropriations. This initiative provides General Fund All Other funding of \$6,037,617 and increases Federal Block Grant Fund All Other allocation by \$16,711,505 in state fiscal year 2027. This initiative will be included in the change package to remove. This initiative can also be found on pages A-314, A-338 and A-355. This initiative was previously discussed in testimony.

Program		Page	General Fund	SFY 2027	
				Federal Expenditures Fund	Federal Block Grant Fund
0147	All Other	A-355	\$ (113,202,784)	\$ (665,512,444)	\$ -
Z211	All Other	A-314	\$ 25,324,681	\$ 467,715,199	\$ -
Z421	All Other	A-338	\$ 81,840,486	\$ 181,085,740	\$ -
Z422	All Other	A-304	\$ 6,037,617	\$ -	\$ 16,711,505
Total			\$ -	\$ (16,711,505)	\$ 16,711,505

Early Childhood Consultation Program

The next program on page A-327 is **Early Childhood Consultation Program – Z280**. This program enables trained consultants with expertise in the areas of early childhood development and mental health to work on-site with early care and education teachers and providers working with children to aid them in the use of low-cost or no-cost evidence-based strategies that reduce challenging behaviors in children and promote social-emotional growth; to provide guidance to parents about effective ways to address their children's behavioral difficulties; and to connect children and families to programs, resources and supports that will assist them in their development and success, while addressing barriers to accessing these resources and supports. There are no initiatives for this program.

Head Start

The next program on page A-331 is **Head Start – 0545**. This program funds the purchase of Head Start services in the federally designated Head Start programs across the state. This program has 2 initiatives.

1. The first initiative (C-A-7734) on page A-331 reduces funding recently provided for the delivery of Head Start services to support families up to 185% of the federal poverty level. Prior to this funding, Head Start services served up to 100% of the federal poverty level. As reference, most states do not contribute state funding for Head Start purposes. Maine is one of 14 states nationally that currently provides state funding for Head Start services; \$2.5 million annually will continue to go to these providers, separate from this savings initiative.

The first initiative (C-A-7734) on page A-331 reduces funding approved in Public Law 2023, chapter 412 for the delivery of Head Start services to support families up to 185% of the federal poverty level. Public Law 2023, chapter 412, Part PPPPP approved additional annual funding of \$3,600,000 for the delivery of Head Start services to support families earning up to 185% of the federal poverty level. Prior to the change in the law, Head Start services funded 100% of the federal poverty level. Head Start programs in Maine operate over 100 centers and 200+ classrooms, serve over 3,000 children, and receive over \$44 million a year in federal funding. Maine is one of 14 states that invests state dollars in Head Start programs. This initiative reduces General Fund All Other funding by \$3,600,000 in state fiscal years 2026 and 2027.

2. The next initiative (C-A-7736) on page A-331 transfers positions and funding from the Fund for Healthy Maine (FHM) to the General Fund to address declining tobacco settlement funds. The Governor's budget moves numerous accounts previously funded by FHM to the General Fund to continue these services and avoid service disruption despite insufficient FHM funding in fiscal year 2027.

Program		Page	SFY 2026		SFY 2027		
			General Fund	Fund for a Healthy Maine	General Fund	Federal Expenditures Fund	Fund for a Healthy Maine
0143	All Other	A-344	\$ 7,500,000	\$ (7,500,000)	\$ 17,391,734	\$ 8	\$ (17,724,562)
0228	All Other	A-395	\$ -	\$ -	\$ 1,971,118	\$ -	\$ (1,971,118)
0545	All Other	A-331	\$ -	\$ -	\$ 1,354,580	\$ -	\$ (1,354,580)
Z199	All Other	A-378	\$ -	\$ -	\$ 1,070,802	\$ -	\$ (1,070,802)
Total			\$ 7,500,000	\$ (7,500,000)	\$ 21,788,234	\$ 8	\$ (22,121,062)

The next initiative (C-A-7736) on page A-331 transfers positions and funding from the Fund for Healthy Maine within the Department of Health and Human Services to the General Fund to address declining tobacco settlement funds. Position details on file with the Bureau of Budget. This initiative provides General Fund All Other funding of \$1,354,580 and reduces Fund for a Healthy Maine All Other allocation by \$1,354,580 in state fiscal year 2027. This initiative can also be found on pages A-344, A-378 and A-395.

Homeless Youth Program

The next program on page A-332 is **Homeless Youth Program – 0923**. This program provides preliminary assessments, safety plans and other services to homeless youth and their families and legal guardians. There are no initiatives for this program.

IV-E Foster Care/Adoption Assistance

The next program on page A-335 is **IV-E Foster Care/Adoption Assistance – 0137**. This program funds eligible services for children in the care or custody of the State and who are eligible under the Federal title IV-E program while permanent plans are being made through family rehabilitation and reunification, adoption, preparation for independent adulthood or other means; and to children adopted from the foster care program with adoption assistance. This program has 2 initiatives.

1. The first initiative (C-A-1712) on page A-335 provides funding for child welfare cycle payments to support the increased number of children in state custody, covering costs related to room and board, clothing, activities, and other needs. Previous funding for the child welfare program has been provided on a one-time basis, which requires requests during each biennial budget (due to the fact that the funding to support the program is not in the baseline). This initiative makes child welfare funding ongoing and stable to meet recurring demands. This initiative can also be found on page A-401.

			SFY 2026		SFY 2027	
Program		Page	General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0137	All Other	A-335	\$ 8,389,123	\$ 13,389,493	\$ 8,954,026	\$ 14,177,015
0139	All Other	A-401	\$ 8,670,666	\$ -	\$ 8,258,410	\$ -
Total			\$ 17,059,789	\$ 13,389,493	\$ 17,212,436	\$ 14,177,015

The first initiative (C-A-1712) on page A-335 provides funding for child welfare cycle payments. This initiative provides General Fund All Other funding of \$8,389,123 in state fiscal year 2026 and \$8,954,026 in state fiscal year 2027 and increases Federal Expenditures Fund All Other allocation by \$13,389,493 in state fiscal year 2026 and \$14,177,015 in state fiscal year 2027. This initiative can also be found on page A-401.

2. The next initiative (C-A-1730) on page A-335 provides one-time funding for system enhancements to the Child Welfare Information System (Katahdin) as it relates to the needs and requirements of the psychotropic medication settlement agreement. As part of the settlement agreement, OCFS will have increased reporting, tracking and oversight requirements that will need to be built into the IT system.

The next initiative (C-A-1730) on page A-335 provides one-time funding for system enhancements to the Child Welfare Information System (Katahdin) as it relates to the needs and requirements of the psychotropic medication settlement agreement. This initiative provides General Fund All Other funding of \$250,000 and increases Federal Expenditures Fund All Other allocation by \$255,800 in state fiscal year 2026.

Maine Children's Cancer Research Fund

The next program on page A-345 is **Maine Children's Cancer Research Fund – Z279**. The Maine Children's Cancer Research Fund program provides grants and other funding to support children's cancer research provided by research facilities in Maine that operate children's cancer programs. Funding for this program may be received through an income tax checkoff, grants, gifts, bequests and donations. There are no initiatives for this program.

Medical Care – Payments to Providers

The next program on page A-353 is **Medical Care – Payments to Providers – 0147**. This program funds Medicaid services administered by the Office of MaineCare Services. This program has one initiative.

1. This initiative (C-A-2102) is the final item on page A-354. It provides additional funding for final rates related to Therapeutic Foster Care (Section 98) and the new Therapeutic Intensive Homes service. These services were partially funded in the FY24-25 biennial budget and this

initiative annualizes the funding over 12 months and makes certain updates to the service model to comply with the DOJ settlement. Both of these initiatives will help improve access to community-based behavioral health services in the state.

This initiative (C-A-2102) on page A-354 provides additional funding for final rates resulting from rate determination work and updated utilization assumptions for the department's rule Chapter 101: MaineCare Benefits Manual, Section 98, Therapeutic Foster Care and new Therapeutic Intensive Homes per Public Law 2023, chapter 412. This initiative provides General Fund All Other funding of \$1,560,422 in state fiscal year 2026 and \$2,506,621 in state fiscal year 2027 and increases Federal Expenditures Fund All Other allocation by \$2,490,518 in state fiscal year 2026 and \$3,968,763 in state fiscal year 2027.

Mental Health Services – Child Medicaid

The next program on page A-358 is **Mental Health Services – Child Medicaid – Z207**. This program provides services to children from birth through the 20th year. These services are for families with children with autism, intellectual and developmental disabilities, emotional and behavioral health needs and includes supportive services to families such as respite services, crisis services, family supports, and homeless youth programs. This program has one initiative that was already discussed.

1. *This initiative (C-A-2109) on page A-358 adjusts funding as a result of the increase in the state share of the blended Federal Medicaid Assistance Percentage from fiscal year 2024-25. This initiative provides General Fund All Other funding of \$829,768 in state fiscal year 2026 and \$1,045,735 in state fiscal year 2027. This initiative can also be found on pages A-314, A-315, A-351, A-352, A-356, A-364, A-366, A-380 and A-404 and was previously discussed in testimony.*

Approp		Page	SFY 2026				SFY 2027			
			General Fund	Federal Expenditures Fund	Federal Block Grant Fund	Fund for a Healthy Maine	General Fund	Federal Expenditures Fund	Federal Block Grant Fund	Fund for a Healthy Maine
0147	All Other	A-356	\$ 15,528,680	\$ (24,333,365)	\$ (612)	\$ 625,883	\$ 19,641,956	\$ (30,666,706)	\$ (72,337)	\$ 788,784
0148	All Other	A-366	\$ 4,034,851	\$ (4,034,851)	\$ -	\$ -	\$ 5,085,018	\$ (5,085,018)	\$ -	\$ -
Z201	All Other	A-364	\$ 1,123,211	\$ -	\$ -	\$ -	\$ 1,415,554	\$ -	\$ -	\$ -
Z202	All Other	A-380	\$ 271,839	\$ -	\$ -	\$ 26,338	\$ 342,592	\$ -	\$ -	\$ 33,193
Z207	All Other	A-358	\$ 829,768	\$ -	\$ -	\$ -	\$ 1,045,735	\$ -	\$ -	\$ -
Z210	All Other	A-351	\$ 752,621	\$ -	\$ -	\$ -	\$ 948,508	\$ -	\$ -	\$ -
Z211	All Other	A-314	\$ 3,898,992	\$ -	\$ -	\$ -	\$ 4,913,798	\$ -	\$ -	\$ -
Z212	All Other	A-315	\$ 1,011,312	\$ -	\$ -	\$ -	\$ 1,274,531	\$ -	\$ -	\$ -
Z214	All Other	A-404	\$ 2,486	\$ -	\$ -	\$ -	\$ 3,133	\$ -	\$ -	\$ -
Z217	All Other	A-352	\$ 77,542	\$ -	\$ -	\$ -	\$ 97,724	\$ -	\$ -	\$ -
Z218	All Other	A-352	\$ 185,304	\$ -	\$ -	\$ -	\$ 233,534	\$ -	\$ -	\$ -
Total			\$ 27,716,606	\$ (28,368,216)	\$ (612)	\$ 652,221	\$ 35,002,083	\$ (35,751,724)	\$ (72,337)	\$ 821,977

Mental Health Services - Children

The next program on page A-359 is **Mental Health Services – Children – Z206**. This program provides services to children from birth through the 20th year. These services are for families with children with autism, intellectual and developmental disabilities, emotional and behavioral

health needs and includes supportive services to families such as respite services, crisis services, family supports, and homeless youth programs. This program has 4 initiatives, three of which we have previously discussed already.

1. *The first initiative (C-A-1904) on page A-359 provides funding for the continuation of a children's behavioral health single assessment per Public Law 2023, chapter 412 funded 75% Office of MaineCare Services, Federal Expenditures Fund and 25% Mental Health Services - Children, General Fund. This initiative provides General Fund All Other funding of \$315,666 in state fiscal years 2026 and 2027. This initiative can also be found on page A-384 and was previously discussed in testimony.*

Program		Page	SFY 2026		SFY 2027	
			General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0129	All Other	A-384	\$ -	\$ 968,968	\$ -	\$ 968,968
Z206	All Other	A-359	\$ 315,666	\$ -	\$ 315,666	\$ -
Total			\$ 315,666	\$ 968,968	\$ 315,666	\$ 968,968

2. The initiative (C-A-1908) on page A-359 establishes one Management Analyst I position to support expanded data and reporting requirements at the Office of Behavioral Health (OBH). This position would support expanded data and reporting requirements for children's behavioral health pertaining to federal grants, the DOJ settlement agreement, and recent legislative mandates for reporting and analysis.

The next initiative (C-A-1908) on page A-359 establishes one Management Analyst I position in the Mental Health Services - Children program, General Fund to support expanded data and reporting requirements and provides funding for related All Other costs. This initiative provides General Fund Personal Services funding of \$92,982 in state fiscal year 2026 and \$96,927 in state fiscal year 2027 and All Other funding of \$7,256 in state fiscal years 2026 and 2027.

3. *The next initiative (C-A-1215) on page A-359 reduces Federal Expenditures Fund and Other Special Revenue Funds allocation to align with available resources. This initiative reduces Federal Block Grant Fund-ARP All Other allocation by \$2,388,417 in state fiscal year 2027. This initiative can also be found on pages A-321, A-361, A-365, A-374, A-378 and A-385 and was previously discussed in testimony.*

Program	Page	SFY 2026						SFY 2027					
		Federal Expenditures Fund	Other Special Revenue Funds	Federal Block Grant Fund	Federal Expenditures Fund ARRA	Federal Expenditures Fund-ARP	Federal Block Grant Fund-ARP	Federal Expenditures Fund	Other Special Revenue Funds	Federal Block Grant Fund	Federal Expenditures Fund ARRA	Federal Expenditures Fund-ARP	Federal Block Grant Fund-ARP
0129	A-385	\$ -	\$ (77,500)	\$ (4,571,186)	\$ (1,505,268)	\$ -	\$ -	\$ -	\$ (77,500)	\$ (4,571,186)	\$ (1,505,268)	\$ -	\$ -
0140	A-374	\$ (105,000)	\$ -	\$ -	\$ -	\$ (1,382,751)	\$ -	\$ (105,000)	\$ -	\$ -	\$ -	\$ (2,782,751)	\$ -
2034	A-365	\$ (1,469,248)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,469,248)	\$ -	\$ -	\$ -	\$ -	\$ -
2036	A-321	\$ (884,177)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (884,177)	\$ -	\$ -	\$ -	\$ -	\$ -
Z198	A-361	\$ -	\$ -	\$ (1,872,874)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,872,874)	\$ -	\$ -	\$ (3,138,475)
Z199	A-378	\$ (4,040,153)	\$ -	\$ (6,530,972)	\$ -	\$ -	\$ (3,640,385)	\$ (4,040,153)	\$ -	\$ (6,530,972)	\$ -	\$ -	\$ (5,640,385)
Z206	A-359	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,388,417)
Total		\$ (6,498,578)	\$ (77,500)	\$ (12,975,032)	\$ (1,505,268)	\$ (1,382,751)	\$ (3,640,385)	\$ (6,498,578)	\$ (77,500)	\$ (12,975,032)	\$ (1,505,268)	\$ (2,782,751)	\$ (11,167,277)

4. The next initiative (C-A-1906) on page A-360 provides funding to continue the Center of Excellence hub for youth behavioral health service providers, as described in the Department's Children's Behavioral Health Plan per the recommendation of the Department of Justice. This initiative provides General Fund All Other funding of \$1,154,355 in state fiscal year 2026 and \$1,539,141 in state fiscal year 2027. This initiative can also be found on page A-385 and was previously discussed in testimony.

Program		Page	SFY 2026		SFY 2027	
			General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0129	All Other	A-385	\$ -	\$ 1,181,136	\$ -	\$ 1,574,849
Z206	All Other	A-360	\$ 1,154,355	\$ -	\$ 1,539,141	\$ -
Total			\$ 1,154,355	\$ 1,181,136	\$ 1,539,141	\$ 1,574,849

Office of Child and Family Services - Central

The next program on page A-381 is **Office of Child and Family Services – Central - 0307**. This program is primarily responsible for the development, delivery and oversight of all programs under the office's responsibility, including child protective and children's services, and prevention and early intervention services. This program has 3 initiatives, one of which we've already discussed.

1. The first initiative (C-A-1711) on page A-381 transfers and reallocates one Management Analyst II position from 100% Child Care Services program, General Fund to 72% General Fund and 28% Other Special Revenue Funds in the Office of Child and Family Services - Central program and adjusts funding for related All Other costs. The Management Analyst II position is part of the Information Services Unit within the Office of Child and Family Services (OCFS), which provides services to meet the needs of all OCFS programs not just the Child Care Services program. This initiative provides General Fund Personal Services funding of \$87,760 in state fiscal year 2026 and \$88,641 in state fiscal year 2027 and All Other funding of \$5,225 in state fiscal years 2026 and 2027 and increases Other Special Revenue Funds Personal Services allocation by \$34,130 in state fiscal year 2026 and \$34,472 in state fiscal year 2027 and All Other allocation by \$3,985 in state fiscal year 2026 and \$4,003 in state fiscal year 2027. This

initiative can also be found on page A-300 and was previously discussed above under Child Care Services - 0563.

Program		Page	SFY 2026		SFY 2027	
			General Fund	Other Special Revenue Funds	General Fund	Other Special Revenue Funds
0307	All Other	A-381	\$ 5,225	\$ 3,985	\$ 5,225	\$ 4,003
0307	Personal Services	A-381	\$ 87,760	\$ 34,130	\$ 88,641	\$ 34,472
0563	All Other	A-300	\$ (7,256)	\$ -	\$ (7,256)	\$ -
0563	Personal Services	A-300	\$ (121,890)	\$ -	\$ (123,113)	\$ -
Total			\$ (36,161)	\$ 38,115	\$ (36,503)	\$ 38,475

2. The initiative (C-A-1729) on page A-382 establishes one Financial Resource Specialist position to support the federal Title IV-E Prevention Program. The caseloads for Financial Resource Specialists who determine eligibility for Title IV-E foster care have increased considerably in recent years. This position would allow for increased capacity at OCFS.

The next initiative (C-A-1729) on page A-382 establishes one Financial Resource Specialist position funded 72% General Fund and 28% Other Special Revenue Funds in the Office of Child and Family Services - Central program to support the federal Title IV-E Prevention Program and provides funding for related All Other costs. This initiative provides General Fund Personal Services funding of \$61,459 in state fiscal year 2026 and \$64,183 in state fiscal year 2027 and All Other funding of \$2,613 in state fiscal years 2026 and 2027 and increases Other Special Revenue Funds Personal Services allocation by \$23,900 in state fiscal year 2026 and \$24,960 in state fiscal year 2027 and All Other allocation by \$2,361 in state fiscal year 2026 and \$2,418 in state fiscal year 2027.

3. The next initiative (C-A-1705) on page A-382 continues one limited-period Social Service Program Specialist II position through June 2027. This limited period position serves as Violence Prevention Program Coordinator and supports the Violence Prevent Manager, in planning, evaluation, budgeting, reporting and compliance functions.

The next initiative (C-A-1705) on page A-382 continues one limited-period Social Service Program Specialist II position previously continued by Public Law 2023, chapter 17 and transfers the position from the Purchased Social Services program, General Fund to 72% General Fund and 28% Other Special Revenue Funds in the Office of Child and Family Services - Central program through June 12, 2027. This initiative also provides funding for related All Other costs. This position serves as the Violence Prevention Program Coordinator. This initiative provides General Fund Personal Services funding of \$96,937 in state fiscal year 2026 and \$97,946 in state fiscal year 2027 and All Other funding of \$5,225 in state fiscal years 2026 and 2027 and increases Other Special Revenue Funds Personal Services allocation by \$37,697 in

state fiscal year 2026 and \$38,090 in state fiscal year 2027 and All Other allocation by \$4,177 in state fiscal year 2026 and \$4,198 in state fiscal year 2027.

Office of Child and Family Services - District

The next program on page A-383 is **Office of Child and Family Services – District – 0452**. This program manages, supervises, and delivers direct services to families and youth who are reported to be abused or neglected or in the care and custody of the State, in order to strengthen family functioning by providing intensive home-based services while assuring child safety. This program has one initiative.

1. This initiative (C-A-1727) on page A-383 establishes 2 Child Protective Services Case Aide positions for the increased reporting, tracking and oversight requirements of psychotropic medication use. The Settlement Agreement requires the Department to put in place updated policies and procedures related to the oversight and administration of Psychotropic Medications to children in foster care in Maine. These positions will help satisfy the increased workload due to the new requirements.

This initiative (C-A-1727) on page A-383 establishes 2 Child Protective Services Case Aide positions funded 79% General Fund and 21% Other Special Revenue Funds in the Office of Child and Family Services - District program. This initiative also provides funding for related All Other costs. These positions are needed for the increased reporting, tracking and oversight requirements of psychotropic medication use. This initiative provides General Fund Personal Services funding of \$134,864 in state fiscal year 2026 and \$140,846 in state fiscal year 2027 and All Other funding of \$8,600 in state fiscal years 2026 and 2027 and increases Other Special Revenue Funds Personal Services allocation by \$35,854 in state fiscal year 2026 and \$37,440 in state fiscal year 2027 and All Other allocation by \$4,129 in state fiscal year 2026 and \$4,174 in state fiscal year 2027.

State-Funded Foster Care/Adoption Assistance

The next program on page A-401 is **State-Funded Foster Care/Adoption Assistance – 0139**. This program funds the needs of children in the care or custody of the State while permanent plans are being made through family rehabilitation and reunification, adoption, preparation for independent adulthood or other means; and to children adopted from the foster care program with adoption assistance. This program has 2 initiatives, both of which have already been discussed.

1. *The first initiative (C-A-1712) on page A-401 provides funding for child welfare cycle payments. This initiative provides General Fund All Other funding of \$8,670,666 in state fiscal year 2026 and \$8,258,410 in state fiscal year 2027. This initiative can also be found on page A-335 and was discussed above under IV-E Foster Care/Adoption Assistance – 0137.*

			SFY 2026		SFY 2027	
Program		Page	General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0137	All Other	A-335	\$ 8,389,123	\$ 13,389,493	\$ 8,954,026	\$ 14,177,015
0139	All Other	A-401	\$ 8,670,666	\$ -	\$ 8,258,410	\$ -
Total			\$ 17,059,789	\$ 13,389,493	\$ 17,212,436	\$ 14,177,015

2. The next initiative (C-A-7132) on page A-401 provides funding to increase current MaineCare dispensing fees under the department's rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 80, Pharmacy Services to reflect increased dispensing costs, including the cost of the proposed per-prescription pharmacy assessment. This initiative provides General Fund All Other funding of \$4,211 in state fiscal year 2026 and \$16,842 in state fiscal year 2027. This initiative can also be found on page A-357 and has been discussed in previous testimony.

		SFY 2026			SFY 2027		
Program		General Fund	Federal Expenditures Fund	Federal Block Grant Fund	General Fund	Federal Expenditures Fund	Federal Block Grant Fund
013901	All Other	\$ 4,211	\$ -	\$ -	\$ 16,842	\$ -	\$ -
014701	All Other	\$ 587,801	\$ 1,484,138	\$ 29,161	\$ 2,351,206	\$ 5,936,551	\$ 116,643
Total		\$ 592,012	\$ 1,484,138	\$ 29,161	\$ 2,368,048	\$ 5,936,551	\$ 116,643

Developmental Disabilities

Crisis Outreach Program

The next program on page A-306 is **Crisis Outreach Program – Z216**. The goal of the crisis system is to provide assistance to individuals, families, guardians, and providers in order to maximize individuals' opportunities to remain in their homes and communities, before, during and after crisis incidents. This program has one reclassification initiative which can be found under Appendix A.

Developmental Services – Community

The next program on page A-312 is **Developmental Services – Community – Z208**. This program provides essential services and supports to adults with intellectual disabilities, autism, or brain injuries, including family support, respite, professional services, operational activities, and other client needs. This program has 4 initiatives on pages A-312 and A-313, all of which have been previously discussed.

1. The first initiative (C-A-1607) on page A-312 reallocates 21 positions and transfers and reallocates one Social Services Program Specialist II position within the Office of Aging and Disability Services Central Office program, Long Term Care - Office of Aging and Disability

Services - Community program to align the duties being performed with the proper funding source. This initiative also adjusts funding for related All Other costs. This initiative reduces General Fund Personal Services funding by \$786,293 in state fiscal year 2026 and \$807,547 in state fiscal year 2027 and All Other funding by \$38,539 in state fiscal years 2026 and 2027. This initiative can also be found on pages A-337, A-375 and A-385 and was previously discussed in testimony.

Program		Page	SFY 2026		SFY 2027	
			General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0129	All Other	A-385	\$ -	\$ 66,312	\$ -	\$ 66,804
0129	Personal Services	A-385	\$ -	\$ 897,605	\$ -	\$ 918,639
0140	All Other	A-375	\$ (674)	\$ -	\$ (674)	\$ -
0140	Personal Services	A-375	\$ (20,018)	\$ -	\$ (18,266)	\$ -
0420	All Other	A-337	\$ (5,053)	\$ -	\$ (5,053)	\$ -
0420	Personal Services	A-337	\$ (91,294)	\$ -	\$ (92,826)	\$ -
Z208	All Other	A-312	\$ (38,539)	\$ -	\$ (38,539)	\$ -
Z208	Personal Services	A-312	\$ (786,293)	\$ -	\$ (807,547)	\$ -
Total			\$ (941,871)	\$ 963,917	\$ (962,905)	\$ 985,443

2. The next initiative (C-A-1601) on page A-312 establishes 3 Developmental Disabilities Resources Coordinator positions and 4 Public Service Manager II positions funded 50% Developmental Services - Community program, General Fund and 50% Office of MaineCare Services program, Federal Expenditures Fund for the new Home and Community Based Services (HCBS) lifespan waiver. This initiative also provides funding for related All Other costs. This initiative provides General Fund Personal Services funding of \$419,827 in state fiscal year 2026 and \$439,942 in state fiscal year 2027 and All Other funding of \$25,396 in state fiscal years 2026 and 2027. This initiative can also be found on page A-386 and was previously discussed in testimony.

Program		Page	SFY 2026		SFY 2027	
			General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0129	All Other	A-386	\$ -	\$ 35,321	\$ -	\$ 35,768
0129	Personal Services	A-386	\$ -	\$ 419,798	\$ -	\$ 439,919
Z208	All Other	A-312	\$ 25,396	\$ -	\$ 25,396	\$ -
Z208	Personal Services	A-312	\$ 419,827	\$ -	\$ 439,942	\$ -
Total			\$ 445,223	\$ 455,119	\$ 465,338	\$ 475,687

3. The next initiative (C-A-1603) on page A-312 reallocates 2 Social Services Program Specialist I positions and one Social Services Program Manager position from 100% Developmental Services - Community program, General Fund to 50% Developmental Services - Community

program, General Fund and 50% Office of MaineCare Services program, Federal Expenditures Fund and adjusts funding for related All Other costs. This initiative reduces General Fund Personal Services funding by \$167,562 in state fiscal year 2026 and \$170,494 in state fiscal year 2027 and All Other funding by \$10,884 in state fiscal years 2026 and 2027. This initiative can also be found on page A-386 and was previously discussed in testimony.

Program		Page	SFY 2026		SFY 2027	
			General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0129	All Other	A-386	\$ -	\$ 15,061	\$ -	\$ 15,129
0129	Personal Services	A-386	\$ -	\$ 167,562	\$ -	\$ 170,494
Z208	All Other	A-312	\$ (10,884)	\$ -	\$ (10,884)	\$ -
Z208	Personal Services	A-312	\$ (167,562)	\$ -	\$ (170,494)	\$ -
Total			\$ (178,446)	\$ 182,623	\$ (181,378)	\$ 185,623

4. The next initiative (C-A-1602) on page A-313 establishes one Public Service Manager II position funded 100% in the Office of Aging and Disability Services Central Office program, General Fund and one Public Service Manager II position funded 50% in the Developmental Services - Community program, General Fund and 50% in the Office of MaineCare Services program, Federal Expenditures Fund for quality assurance work. This initiative also provides funding for related All Other costs. This initiative provides General Fund Personal Services funding of \$72,263 in state fiscal year 2026 and \$75,970 in state fiscal year 2027 and All Other funding of \$3,369 in state fiscal years 2026 and 2027. This initiative can also be found on pages A-375 and A-386 and was previously discussed in testimony.

Program		Page	SFY 2026		SFY 2027	
			General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0129	All Other	A-386	\$ -	\$ 5,124	\$ -	\$ 5,194
0129	Personal Services	A-386	\$ -	\$ 72,255	\$ -	\$ 75,965
0140	All Other	A-375	\$ 6,737	\$ -	\$ 6,737	\$ -
0140	Personal Services	A-375	\$ 135,681	\$ -	\$ 142,254	\$ -
Z208	All Other	A-313	\$ 3,369	\$ -	\$ 3,369	\$ -
Z208	Personal Services	A-313	\$ 72,263	\$ -	\$ 75,970	\$ -
Total			\$ 218,050	\$ 77,379	\$ 228,330	\$ 81,159

Developmental Services Waiver - MaineCare

The next program on page A-314 is **Developmental Services Waiver – MaineCare – Z211**. This program provides community-based services as an alternative to intensive care/intellectual disabilities institutional services, including home supports, day supports, work supports and an

array of professional/clinical supports. This program has 5 initiatives, three of which have been already discussed.

1. *The first initiative (C-A-2116) on page A-314 provides funding to increase MaineCare appropriations and allocations to reflect increases in costs and enrollment. This initiative provides General Fund All Other funding of \$17,693,181 in state fiscal year 2026 and \$17,618,034 in state fiscal year 2027. This initiative can also be found on pages A-315, A-339, A-353 and A-392 and was previously discussed in testimony.*

Program		Page	SFY 2026				SFY 2027			
			General Fund	Federal Expenditures Fund	Other Special Revenue Funds	Federal Block Grant Funds	General Fund	Federal Expenditures Fund	Other Special Revenue Funds	Federal Block Grant Funds
0147	All Other	A-353	\$ 96,729,843	\$ 361,802,773	\$ 1,207,432	\$ 8,354,198	\$ 96,840,359	\$ 360,655,916	\$ 3,215,701	\$ 8,299,977
0202	All Other	A-339	\$ 346,343	\$ -	\$ -	\$ -	\$ 344,872	\$ -	\$ -	\$ -
2009	All Other	A-392	\$ 7,102,535	\$ -	\$ -	\$ -	\$ 7,072,368	\$ -	\$ -	\$ -
2211	All Other	A-314	\$ 17,693,181	\$ -	\$ -	\$ -	\$ 17,618,034	\$ -	\$ -	\$ -
2212	All Other	A-315	\$ 878,480	\$ -	\$ -	\$ -	\$ 874,749	\$ -	\$ -	\$ -
Total			\$ 122,750,382	\$ 361,802,773	\$ 1,207,432	\$ 8,354,198	\$ 122,750,382	\$ 360,655,916	\$ 3,215,701	\$ 8,299,977

2. *This initiative (C-A-2111) on page A-314 adjusts appropriated funding to better align with anticipated actual expenditures following the implementation of the new consolidated structure of non-administrative MaineCare appropriations. This initiative provides General Fund All Other funding of \$25,324,681 and increases Federal Expenditures Fund All Other allocation by \$467,715,199 in state fiscal year 2027. This initiative will be included in the change package to remove. This initiative can also be found on pages A-304, A-338 and A-355. This initiative was previously discussed in testimony.*

Program		Page	SFY 2027		
			General Fund	Federal Expenditures Fund	Federal Block Grant Fund
0147	All Other	A-355	\$ (113,202,784)	\$ (665,512,444)	\$ -
2211	All Other	A-314	\$ 25,324,681	\$ 467,715,199	\$ -
2421	All Other	A-338	\$ 81,840,486	\$ 181,085,740	\$ -
2422	All Other	A-304	\$ 6,037,617	\$ -	\$ 16,711,505
Total			\$ -	\$ (16,711,505)	\$ 16,711,505

3. The initiative (C-A- 2123) on page A-314 provides funding for Section 21 agency home supports due to previously underfunding cost-of-living adjustments that are part of the current Section 21 rates today. Funding received in the previous biennial budget was based on understated utilization for agency home supports. As background, the issue is that the MaineCare rate model uses an hourly rate, but providers bill for a daily rate, and the Department did not previously adjust to account for the difference. This initiative corrects that analysis and requests funding to properly account for the actual annual spending that has been occurring since last year. This initiative can also be found on page A-355.

			SFY 2026		SFY 2027	
Program		Page	General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0147	All Other	A-355	\$ 230,253	\$ 37,511,612	\$ 231,384	\$ 37,398,548
Z211	All Other	A-314	\$ 22,795,066	\$ -	\$ 22,906,999	\$ -
Total			\$ 23,025,319	\$ 37,511,612	\$ 23,138,383	\$ 37,398,548

The next initiative (C-A- 2123) on page A-314 provides funding for agency home supports in the department's rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 21, Home and Community Benefits for Members with Intellectual Disabilities or Autism Spectrum Disorder. This initiative provides General Fund All Other funding of \$22,795,066 in state fiscal year 2026 and \$22,906,999 in state fiscal year 2027. This initiative can also be found on page A-355.

4. The next initiative (C-A-2109) on page A-314 adjusts funding as a result of the increase in the state share of the blended Federal Medicaid Assistance Percentage from fiscal year 2024-25. This initiative provides General Fund All Other funding of \$3,898,992 in state fiscal year 2026 and \$4,913,798 in state fiscal year 2027. This initiative can also be found on pages A-315, A-351, A-352, A-356, A-358, A-364, A-366, A-380 and A-404. This initiative has been discussed in previous testimony.

			SFY 2026				SFY 2027			
Approp		Page	General Fund	Federal Expenditures Fund	Federal Block Grant Fund	Fund for a Healthy Maine	General Fund	Federal Expenditures Fund	Federal Block Grant Fund	Fund for a Healthy Maine
0147	All Other	A-356	\$ 15,528,680	\$ (24,333,365)	\$ (612)	\$ 625,883	\$ 19,641,956	\$ (30,666,706)	\$ (72,337)	\$ 788,784
0148	All Other	A-366	\$ 4,034,851	\$ (4,034,851)	\$ -	\$ -	\$ 5,085,018	\$ (5,085,018)	\$ -	\$ -
Z201	All Other	A-364	\$ 1,123,211	\$ -	\$ -	\$ -	\$ 1,415,554	\$ -	\$ -	\$ -
Z202	All Other	A-380	\$ 271,839	\$ -	\$ -	\$ 26,338	\$ 342,592	\$ -	\$ -	\$ 33,193
Z207	All Other	A-358	\$ 829,768	\$ -	\$ -	\$ -	\$ 1,045,735	\$ -	\$ -	\$ -
Z210	All Other	A-351	\$ 752,621	\$ -	\$ -	\$ -	\$ 948,508	\$ -	\$ -	\$ -
Z211	All Other	A-314	\$ 3,898,992	\$ -	\$ -	\$ -	\$ 4,913,798	\$ -	\$ -	\$ -
Z212	All Other	A-315	\$ 1,011,312	\$ -	\$ -	\$ -	\$ 1,274,531	\$ -	\$ -	\$ -
Z214	All Other	A-404	\$ 2,486	\$ -	\$ -	\$ -	\$ 3,133	\$ -	\$ -	\$ -
Z217	All Other	A-352	\$ 77,542	\$ -	\$ -	\$ -	\$ 97,724	\$ -	\$ -	\$ -
Z218	All Other	A-352	\$ 185,304	\$ -	\$ -	\$ -	\$ 233,534	\$ -	\$ -	\$ -
Total			\$ 27,716,606	\$ (28,368,216)	\$ (612)	\$ 652,221	\$ 35,002,083	\$ (35,751,724)	\$ (72,337)	\$ 821,977

5. The next initiative (C-A-7134) on page A-314 achieves efficiencies and generates savings by returning to pre-COVID residential assignment practices to ensure efficient use of facilities for Section 21 agency home supports. As background, single resident occupancy placements that are not required to meet participant needs cause increased staffing and facilities costs. Reducing single resident occupancy placements in favor of small, community-based placements better support full and efficient use of facilities, promote socialization and saves money without limiting access to services. This initiative can also be found on page A-356.

Program		Page	SFY 2026		SFY 2027	
			General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0147	All Other	A-356	\$ (57,708)	\$ (5,868,823)	\$ (57,991)	\$ (5,851,107)
Z211	All Other	A-314	\$ (3,549,044)	\$ -	\$ (3,566,477)	\$ -
Total			\$ (3,606,752)	\$ (5,868,823)	\$ (3,624,468)	\$ (5,851,107)

The next initiative (C-A-7134) on page A-314 reduces funding for efficiencies achieved under the department's rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 21, Home and Community Based Services for Members with Intellectual Disabilities or Autism Spectrum Disorder by returning to pre-COVID residential assignment practices to ensure efficient use of facilities. This initiative reduces General Fund All Other funding by \$3,549,044 in state fiscal year 2026 and \$3,566,477 in state fiscal year 2027. This initiative can also be found on page A-356.

Developmental Services Waiver - Supports

The next program on page A-315 is **Developmental Services Waiver – Supports – Z212**. This program provides support services to assist individuals with intellectual disabilities or autism living in the community. This program has 2 initiatives, both of which have been previously discussed.

1. The first initiative (C-A-2116) on page A-315 provides funding to increase MaineCare appropriations and allocations to reflect increases in costs and enrollment. This initiative provides General Fund All Other funding of \$878,480 in state fiscal year 2026 and \$874,749 in state fiscal year 2027. This initiative can also be found on pages A-314, A-339, A-353 and A-392. This initiative has been discussed in previous testimony.

Program		Page	SFY 2026				SFY 2027			
			General Fund	Federal Expenditures Fund	Other Special Revenue Funds	Federal Block Grant Funds	General Fund	Federal Expenditures Fund	Other Special Revenue Funds	Federal Block Grant Funds
0147	All Other	A-353	\$ 96,729,843	\$ 361,802,773	\$ 1,207,432	\$ 8,354,198	\$ 96,840,359	\$ 360,655,916	\$ 3,215,701	\$ 8,299,977
0202	All Other	A-339	\$ 346,343	\$ -	\$ -	\$ -	\$ 344,872	\$ -	\$ -	\$ -
2009	All Other	A-392	\$ 7,102,535	\$ -	\$ -	\$ -	\$ 7,072,368	\$ -	\$ -	\$ -
Z211	All Other	A-314	\$ 17,693,181	\$ -	\$ -	\$ -	\$ 17,618,034	\$ -	\$ -	\$ -
Z212	All Other	A-315	\$ 878,480	\$ -	\$ -	\$ -	\$ 874,749	\$ -	\$ -	\$ -
Total			\$ 122,750,382	\$ 361,802,773	\$ 1,207,432	\$ 8,354,198	\$ 122,750,382	\$ 360,655,916	\$ 3,215,701	\$ 8,299,977

2. The next initiative (C-A-2109) on page A-315 adjusts funding as a result of the increase in the state share of the blended Federal Medicaid Assistance Percentage from fiscal year 2024-25. This initiative provides General Fund All Other funding of \$1,011,312 in state fiscal year 2026 and \$1,274,531 in state fiscal year 2027. This initiative can also be found on pages A-314, A-351, A-352, A-356, A-358, A-364, A-366, A-380 and A-404. This initiative has been discussed in previous testimony.

Approp		Page	SFY 2026				SFY 2027			
			General Fund	Federal Expenditures Fund	Federal Block Grant Fund	Fund for a Healthy Maine	General Fund	Federal Expenditures Fund	Federal Block Grant Fund	Fund for a Healthy Maine
0147	All Other	A-356	\$ 15,528,680	\$ (24,333,365)	\$ (612)	\$ 625,883	\$ 19,641,956	\$ (30,666,706)	\$ (72,337)	\$ 788,784
0148	All Other	A-366	\$ 4,034,851	\$ (4,034,851)	\$ -	\$ -	\$ 5,085,018	\$ (5,085,018)	\$ -	\$ -
2201	All Other	A-364	\$ 1,123,211	\$ -	\$ -	\$ -	\$ 1,415,554	\$ -	\$ -	\$ -
2202	All Other	A-380	\$ 271,839	\$ -	\$ -	\$ 26,338	\$ 342,592	\$ -	\$ -	\$ 33,193
2207	All Other	A-358	\$ 829,768	\$ -	\$ -	\$ -	\$ 1,045,735	\$ -	\$ -	\$ -
2210	All Other	A-351	\$ 752,621	\$ -	\$ -	\$ -	\$ 948,508	\$ -	\$ -	\$ -
2211	All Other	A-314	\$ 3,898,992	\$ -	\$ -	\$ -	\$ 4,913,798	\$ -	\$ -	\$ -
2212	All Other	A-315	\$ 1,011,312	\$ -	\$ -	\$ -	\$ 1,274,531	\$ -	\$ -	\$ -
2214	All Other	A-404	\$ 2,486	\$ -	\$ -	\$ -	\$ 3,133	\$ -	\$ -	\$ -
2217	All Other	A-352	\$ 77,542	\$ -	\$ -	\$ -	\$ 97,724	\$ -	\$ -	\$ -
2218	All Other	A-352	\$ 185,304	\$ -	\$ -	\$ -	\$ 233,534	\$ -	\$ -	\$ -
Total			\$ 27,716,606	\$ (28,368,216)	\$ (612)	\$ 652,221	\$ 35,002,083	\$ (35,751,724)	\$ (72,337)	\$ 821,977

Lifespan Waiver

The next program on page A-336 is **Lifespan Waiver – Z370**. This program provides support services to assist individuals ages 14 and up with intellectual disabilities or autism living in the community. There are no initiatives for this program.

Medicaid Services – Developmental Services

The next program on page A-351 is **Medicaid Services – Developmental Services – Z210**. This program provides residential, case management and other habilitative services to adults with intellectual disabilities. This program has one initiative already mentioned.

1. *This initiative (C-A-2109) on page A-351 adjusts funding as a result of the increase in the state share of the blended Federal Medicaid Assistance Percentage from fiscal year 2024-25. This initiative provides General Fund All Other funding of \$752,621 in state fiscal year 2026 and \$948,508 in state fiscal year 2027. This initiative can also be found on pages A-314, A-315, A-352, A-356, A-358, A-364, A-366, A-380 and A-404. This initiative has been discussed in previous testimony.*

Approp		Page	SFY 2026				SFY 2027			
			General Fund	Federal Expenditures Fund	Federal Block Grant Fund	Fund for a Healthy Maine	General Fund	Federal Expenditures Fund	Federal Block Grant Fund	Fund for a Healthy Maine
0147	All Other	A-356	\$ 15,528,680	\$ (24,333,365)	\$ (612)	\$ 625,883	\$ 19,641,956	\$ (30,666,706)	\$ (72,337)	\$ 788,784
0148	All Other	A-366	\$ 4,034,851	\$ (4,034,851)	\$ -	\$ -	\$ 5,085,018	\$ (5,085,018)	\$ -	\$ -
2201	All Other	A-364	\$ 1,123,211	\$ -	\$ -	\$ -	\$ 1,415,554	\$ -	\$ -	\$ -
2202	All Other	A-380	\$ 271,839	\$ -	\$ -	\$ 26,338	\$ 342,592	\$ -	\$ -	\$ 33,193
2207	All Other	A-358	\$ 829,768	\$ -	\$ -	\$ -	\$ 1,045,735	\$ -	\$ -	\$ -
2210	All Other	A-351	\$ 752,621	\$ -	\$ -	\$ -	\$ 948,508	\$ -	\$ -	\$ -
2211	All Other	A-314	\$ 3,898,992	\$ -	\$ -	\$ -	\$ 4,913,798	\$ -	\$ -	\$ -
2212	All Other	A-315	\$ 1,011,312	\$ -	\$ -	\$ -	\$ 1,274,531	\$ -	\$ -	\$ -
2214	All Other	A-404	\$ 2,486	\$ -	\$ -	\$ -	\$ 3,133	\$ -	\$ -	\$ -
2217	All Other	A-352	\$ 77,542	\$ -	\$ -	\$ -	\$ 97,724	\$ -	\$ -	\$ -
2218	All Other	A-352	\$ 185,304	\$ -	\$ -	\$ -	\$ 233,534	\$ -	\$ -	\$ -
Total			\$ 27,716,606	\$ (28,368,216)	\$ (612)	\$ 652,221	\$ 35,002,083	\$ (35,751,724)	\$ (72,337)	\$ 821,977

Medical Care – Payments to Providers

The next program on page A-353 is **Medical Care – Payments to Providers – 0147**. This program funds Medicaid services administered by the Office of MaineCare Services. This program has 2 initiatives that we’ve already discussed as well.

1. *The first initiative (C-A- 2123) on page A-355 provides funding for agency home supports in the department's rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 21, Home and Community Benefits for Members with Intellectual Disabilities or Autism Spectrum Disorder. This initiative provides General Fund All Other funding of \$230,253 in state fiscal year 2026 and \$231,384 in state fiscal year 2027 and increases Federal Expenditures Fund All Other allocation by \$37,511,612 in state fiscal year 2026 and \$37,398,548 in state fiscal year 2027. This initiative can also be found on page A-314 and was discussed above under Developmental Services Waiver – MaineCare – Z211.*

Program		Page	SFY 2026		SFY 2027	
			General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0147	All Other	A-355	\$ 230,253	\$ 37,511,612	\$ 231,384	\$ 37,398,548
Z211	All Other	A-314	\$ 22,795,066	\$ -	\$ 22,906,999	\$ -
Total			\$ 23,025,319	\$ 37,511,612	\$ 23,138,383	\$ 37,398,548

2. *The next initiative (C-A-7134) on page A-356 reduces funding for efficiencies achieved under the department's rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 21, Home and Community Based Services for Members with Intellectual Disabilities or Autism Spectrum Disorder by returning to pre-COVID residential assignment practices to ensure efficient use of facilities. This initiative reduces General Fund All Other funding by \$57,708 in state fiscal year 2026 and \$57,991 in state fiscal year 2027 and reduces Federal Expenditures Fund All Other allocation by \$5,868,823 in state fiscal year 2026 and \$5,851,107 in state fiscal year 2027. This initiative can also be found on page A-314 and was previously discussed under Developmental Services Waiver – MaineCare – Z211.*

Program		Page	SFY 2026		SFY 2027	
			General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0147	All Other	A-356	\$ (57,708)	\$ (5,868,823)	\$ (57,991)	\$ (5,851,107)
Z211	All Other	A-314	\$ (3,549,044)	\$ -	\$ (3,566,477)	\$ -
Total			\$ (3,606,752)	\$ (5,868,823)	\$ (3,624,468)	\$ (5,851,107)

Residential Treatment Facilities Assessment

The next program on page A-397 is **Residential Treatment Facilities Assessment – Z197**. This program assesses a tax on residential treatment providers for individuals with developmental disabilities. There are no initiatives for this program.

APPENDIX A: Reclasses/Reorgs/Range Changes

Civil Service Rules require the Director of the Bureau of Human Resources to maintain the classification plan and establish the processes and procedures with which to do so. There is a long-standing process in place to evaluate proper classification of positions and determine through a functional job analysis whether a position meets the requirements for reclassification, including any pay adjustment. The State's collective bargaining unit agreements include negotiated language related to this process. Actions may include changing classification or keeping the same classification, but changing pay range (usually referenced in blippie as range change). Requests may be employee initiated (usually referred to as reclass) or management initiated (usually referred to as reorganization). Approved employee-initiated actions include a retroactive pay component back to the date the request was signed. Reclass/reorg/range change initiatives in Part A of the budget are necessary to fund these approved actions, which is required before the action can be processed and paid. Reclass initiatives in Part B are self-funded.

1. The first initiative (C-A-1916) on page A-360 and A-386 provides funding for the approved reclassification of 2 Developmental Disability Resource Coordinator positions to Social Services Program Specialist II positions, retroactive to June 22, 2018 and provides funding for related All Other costs. This FJA was submitted on June 22, 2018 but was denied by the Bureau of Human Resources on March 18, 2021. The employees appealed the decision and it went to arbitration where the decision was overturned and approved on May 24, 2024.

Program		SFY 2026		SFY 2027	
		General Fund	Federal Expenditures Fund	General Fund	Federal Expenditures Fund
0129	All Other	\$ -	\$ 199	\$ -	\$ 214
0129	Personal Services	\$ -	\$ 8,470	\$ -	\$ 9,123
Z206	Personal Services	\$ 8,475	\$ -	\$ 9,120	\$ -
Total		\$ 8,475	\$ 8,669	\$ 9,120	\$ 9,337

2. The next initiative (C-A-1703) on page A-381 provides funding for the approved reorganization of one Social Services Manager I position to a Child Protective Services Caseworker Supervisor position in the Office of Child and Family Services - Central program (0307) and provides funding for related All Other costs. This initiative provides General Fund Personal Services funding of \$14,681 in state fiscal year 2026 and \$14,685 in state fiscal year 2027 and increases Other Special Revenue Funds Personal Services allocation by \$5,709 in state fiscal year 2026 and \$5,711 in state fiscal year 2027 and All Other allocation by \$309 in state fiscal years 2026 and 2027.

3. The next initiative (C-A-1608) on pages A-306 and A-313 provides funding for the approved reorganization of 4 Human Services Casework Supervisor positions to 4 Social Services Manager I positions and one Community Response Worker position to a Social Services Program Manager position funded 52.4% General Fund and 47.6% Other Special Revenue Funds in the Crisis Outreach Program and one Public Service Manager II from range 30 to range 32 serving as the Crisis Team Program Administrator in the Developmental Services - Community program. This initiative supports the growing workload and complexity encountered within these positions at the Office of Aging and Disability Services (OADS) and were approved by Bureau of Human Resources on April 1, 2024; July 12, 2024; and July 25, 2024.

Program		SFY 2026		SFY 2027	
		General Fund	Other Special Revenue Funds	General Fund	Other Special Revenue Funds
Z208	Personal Services	\$ 11,577	\$ -	\$ 11,582	\$ -
Z216	All Other	\$ -	\$ 673	\$ -	\$ 703
Z216	Personal Services	\$ 31,910	\$ 28,983	\$ 33,347	\$ 30,294
Total		\$ 43,487	\$ 29,656	\$ 44,929	\$ 30,997

4. The next initiative (C-A-1609) on page A-313 provides funding for the approved reorganization of 3 Social Services Program Specialist II positions to 3 Social Services Manager I positions in the Developmental Services - Community program (Z208). This initiative supports the growing workload and complexity encountered within these positions at the Office of Aging and Disability Services (OADS). Approved by Bureau of Human Resources on June 14, 2024. This initiative provides General Fund Personal Services funding of \$26,937 in state fiscal year 2026 and \$25,234 in state fiscal year 2027.

APPENDIX B: Centralized Services

The Department of Administrative and Financial Services (DAFS) develops, delivers, and maintains centralized government systems that support the financial, human resource, physical and technological infrastructure of state government. The services are billed to agencies through Internal Service Funds

All components of an internal service fund, including staff, All Other and capital, are included in Internal Service Fund budgeting. Personal Services increases the result of collective bargaining, or any other Personal Services action, as well as increases to All Other costs for various reasons, including vendor increases or supply chain costs, etc. impact these budgets. Internal Service Funds are meant to recover the costs of providing the service. DAFS bills agencies for these services and the agencies pay the bills with All Other funds.

In this biennial budget, DAFS has adjusted these rates for all of the reasons outlined above, but primarily the result of significant collective bargaining efforts approved by the Governor and Legislature. Agency All Other funds are not increased in the baseline to reflect the increased costs of the Internal Service Funds, so statewide all agencies will include initiatives for additional All Other to cover these services.

DAFS Centralized Services Internal Service Funds include:

- *Service Centers within DAFS provide centralized accounting, payroll, budgeting and human resources services to departments and agencies.*
- *MaineIT is responsible for the delivery of safe, secure, and high-performing networks and systems to State Agencies for daily performance of their missions for the citizens of Maine. IT enterprise functions benefitting all state agencies are managed through this office to ensure consistency, volume discount efficiencies, and optimum performance and throughput.*
- *Central Fleet Management (CFM) within DAFS centrally procures, distributes and disposes of passenger and light truck vehicles. CFM handles many aspects of vehicle service including writing vehicle specifications, ordering vehicles, providing drivers with maintenance schedules, service assistance, fueling resources, insurance protection, and accident information processing.*
- *The Division of Risk Management within DAFS provides high quality insurance, loss control and claims services to all state agencies, the State's higher education institutions and some quasi-state agencies at the lowest possible cost.*
- *The Division of Leased Space manages leases encompassing office, warehouse, garage, storage, tower, classroom, mixed-use, and training spaces.*
- *Central Services within DAFS provides a wide range of mail services, including interoffice mail, as well as disposition of state surplus materials and equipment no longer needed by the state agency that purchased them. This group also manages federal surplus property.*

1. This initiative (C-A-1216) provides funding for statewide technology services provided by the Department of Administrative and Financial Services, Office of Information Technology. This initiative can be found on pages A-306, A-309, A-323, A-326, A-335, A-371, A-385, A-398 and A-401.

			SFY 2026		SFY 2027	
Program		Page	General Fund	Other Special Revenue Funds	General Fund	Other Special Revenue Funds
0129	All Other	A-385	\$ 219,969	\$ -	\$ 199,255	\$ -
0137	All Other	A-335	\$ 769,070	\$ -	\$ 715,160	\$ -
0139	All Other	A-401	\$ 37,336	\$ -	\$ 37,336	\$ -
0142	All Other	A-309	\$ 242,871	\$ -	\$ 255,481	\$ -
0453	All Other	A-371	\$ 224,741	\$ -	\$ 224,741	\$ -
Z200	All Other	A-326	\$ 92,285	\$ -	\$ 92,285	\$ -
Z216	All Other	A-306	\$ 18,124	\$ 16,848	\$ 18,124	\$ 16,848
Z219	All Other	A-398	\$ 661,345	\$ -	\$ 620,375	\$ -
Z222	All Other	A-323	\$ 716,807	\$ -	\$ 675,837	\$ -
Total			\$ 2,982,548	\$ 16,848	\$ 2,838,594	\$ 16,848