

**Testimony in Opposition to L.D. 979, Resolve, Regarding Legislative
Review of 10-144 CMR Ch. 113, Assisted Housing Programs Licensing
Rule, a Late-filed Major Substantive Rule of the Department of Health and
Human Services – Emergency**

Tuesday, April 1, 2025

**To: Sen. Ingwersen, Rep. Meyer, and Members of the Health and Human
Services Committee**

From: David Dill, Chief Financial Officer, New Communities, Inc.

My name is David Dill, and I am the Chief Financial Officer for New Communities, an organization that operates three Residential Care Facilities for the elderly and two dozen small group homes for adults with disabilities. We are a nonprofit that is almost entirely funded by MaineCare – funding that does not cover the current costs for us to deliver services.

I am here today to speak in opposition to L.D. 979 which is being presented by DHHS as an EMERGENCY bill.

What I want to ask you today is what is the EMERGENCY that is causing DHHS to push these changes through without truthfully acknowledging the financial and downstream impact of such poorly planned changes?

The only real emergencies that exist in long term care for the elderly are:

1. A lack of funding – MaineCare, DHHS does not pay providers enough to cover current labor and operating costs, and
2. A severe staffing shortage of direct care workers. Where are all the able-bodied young adults in Maine?

The first real EMERGENCY is cost - the new regulations require us to increase staffing by 30% - that's at least an additional three quarters of a million dollars a year needed from MaineCare to cover these costs at just New Communities. How can DHHS conclude there is no financial impact because of these regulations?

MaineCare isn't even meeting their obligations to pay today. We have not received any reimbursement for the millions we've invested in the past 6 years due to increased regulations, and necessary safety fixes and equipment maintenance. DHHS not paying their past due bills to providers is an EMERGENCY.

The second real EMERGENCY is a lack of willing workers in Maine, especially those willing to do the difficult work of caring for the elderly. We cannot hire enough bodies to meet the proposed staffing regulations. The current labor shortage is already an EMERGENCY.

However, I do have a solution. There are over 36,000 childless adults on MaineCare between the ages of 19-29. We need to get these young adults into the workforce. These are their prime years to work – to start a career. If only 10% become direct care workers, then we have solved the long-term care labor shortage, they will be covered by their employer's health plan so no more MaineCare, and they will have a career that can carry them for a lifetime.

The proposed regulations do nothing to solve the real crisis – these regulations make the real EMERGENCY much worse! Please slow down, do the right thing and don't pass these unnecessary new regulations.

Lastly, I leave you with this thought: we all know what happens in a real EMERGENCY. People run for the exits, and that is exactly what you will see from long-term care providers if you allow these regulations to go forward.