



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

Testimony before the Committee on Health and Human Services in support of

LD 1345, Resolve, Directing the Department of Health and Human Services to Timely Provide Interim Settlement Payments to Long-term Care Facilities

Public Hearing: Monday, April 14, 2025

Senator Ingwersen and Representative Meyer as well as Distinguished Members of 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 support of ***LD 1345, Resolve, Directing the Department of Health and Human Services to Timely Provide Interim Settlement Payments to Long-term Care Facilities.***

This bill is a straightforward adjustment to a bill that this committee and the entire legislature passed in 2023 unanimously (LD 1474, Resolve, Directing the Department of Health and Human Services to Expedite Reimbursement of Long-term Care Facilities). The previous resolve directed the Department to pay 75% of receivables based on an as-filed cost report to nursing and residential care facilities. Since its passage, the bill has made a meaningful difference in ensuring nursing facilities are paid a fair portion of what the state owes in a timely manner, and we are grateful for this committee's support in this cost-neutral change. However, the implementation of LD 1474 has revealed a couple of areas that need improvement to truly meet the bill's original intent.

First, due to bill drafting technicalities, LD 1474 has only been applied to nursing facilities. Despite being expressly included, residential care facilities have not experienced any benefit from the 2023 bill. Today's bill - LD 1345 - would rectify this error, ensuring residential care facilities are included as was originally intended and as the legislature approved. Second, LD 1474 has only led the department to pay nursing facilities what they are owed for cost reports that have been filed *after* the effective date of that legislation. We strongly believe the original aim of the resolve was for facilities to be reasonably paid what they are owed, including previous years. LD 1345 proposes that past years' cost reports be included as well.

As you are aware, long term care facilities are struggling financially. We are facing the worst workforce crisis the sector has ever experienced, and Bureau of Labor Statistics data confirms that our industry lost between 10 and 15% of our workforce during the height of the pandemic. Passing this bill would help facilities receive funding that they are owed sooner, rather than potentially waiting years for auditing to be completed. In an era in which facilities are struggling to stay open due to limited funding, LD 1345 is a simple and budget-neutral way for the legislature to help homes receive much-needed money sooner.

Lastly, this bill has no impact on the cost report settlement amount itself. Since this legislation only relates to money that is owed to facilities, we believe that this bill should not cost the state any additional funds and thus does not warrant a fiscal note.

Thank you for the opportunity to provide comments today and I would be happy to answer any questions.