



Testimony of Jessica Fay for
The Maine Council on Aging
February 11, 2026
In Opposition to LD 2177

Senator Ingwersen, Representative Meyer and Members of the Joint Standing Committee on Health and Human Services,

My name is Jess Fay and I am the Policy and Advocacy Director for the Maine Council on Aging (MCOA), a broad, multidisciplinary network of over 140 organizations, businesses, municipalities, and older community members working to ensure we can all live healthy, engaged, and secure lives with choices and opportunities as we age at home and in community settings. We are offering testimony **in opposition to LD 2177, An Act to Update and Improve the MaineCare Reimbursement System.**

The Department and this committee have invested considerable effort in rate reform designed to create a predictable and stable reimbursement system. That reform was recognized as an award-winning model in 2022¹ and set Maine on a path to a system that providers could rely on. There was a time when this Committee heard multiple bills each session about reimbursement rate changes and the schedule of those changes. In 2022 you passed LD 1867, An Act to Codify MaineCare Rate System Reform² after a significant amount of work. LD 2177 rolls back some of the progress that has been made towards the stability that providers need to budget effectively, maintain qualified workforces, and deliver consistent quality services.

Rather than building on the progress toward predictability, this bill introduces uncertainty about funding. Will statutory cost-of-living adjustments be made and will the necessary funding to meet those adjustments be requested? The provisions most concerning in LD 2177 are the language pieces making payment of cost-of-living adjustments (COLAs) subject to available appropriations. It is unclear whether this includes all rate adjustments as well as the 125% minimum wage provision. For adequate appropriations to be made, appropriate funds need to be requested. We all recognize that the cost of essential care and support has increased as the minimum wage increases and the costs of benefits, utilities and other supplies have also increased. This is why the COLAS are so important.

¹<https://medicaiddirectors.org/resource/mainecare-honored-with-2022-namd-spotlight-award/>

²https://legislature.maine.gov/legis/bills/display_ps.asp?PID=1456&snum=130&paper=&paperId=l&ld=186

The Department should be responsible for requesting adequate appropriations based on anticipated usage and projected costs. The Legislature then exercises its constitutional authority to decide whether to fund those requests. There is a mechanism available for understanding this usage and projected future cost in another bill you have before you, LD 1932.

Making COLAs subject to appropriations transforms what should be a predictable statutory obligation into an uncertain possibility. Providers cannot budget on possibilities. They cannot recruit and retain qualified staff when they cannot promise even cost-of-living wage increases. People who rely on these services deserve to know that the services they qualify for and depend on will be there for them in the future. Currently tens of thousands of hours of approved care are still going unstaffed, nursing homes are closing, and there are long waitlists for home-based care and the homemaker program. These numbers represent individual human beings whose well-being depends on access to care. When we make the system less predictable and fail to invest in the workers themselves, we cause more harm. Workers and those they care for and support are being harmed by our failure to adequately pay for this work – and it's costing us all more.³

We understand the Department's desire to make the statute flow better and appreciate the attempt to streamline the language. We are supportive of this streamlining as long as it doesn't interfere with current statutory requirements for rebasing, COLAs or rate updates.

Thank you for your time and I am happy to answer any questions.

³ <https://www.mecep.org/jobs-and-income/the-high-cost-of-undervaluing-direct-care-work/>