

OFFICE OF POLICY AND LEGAL ANALYSIS

Date: May 5, 2021
To: Joint Standing Committee on Health & Human Services
From: Anna Broome, Legislative Analyst

LD 283 Resolve, To Address Inequities for Certain Direct Care Workers

SUMMARY: This resolve directs the Department of Health and Human Services to amend its rule Chapter 101: MaineCare Benefits Manual, Chapter III, *Sections 17 and 65* to increase reimbursement rates for daily living support services and any home and community-based services provided to children and adults by behavioral health professionals by 20%. It requires that the increase in reimbursement rates must be applied to wages and benefits for employees who provide direct care services and not to administrators or managers. (LD 196 is 15% increase)

LD 878 Resolve, To Increase MaineCare Reimbursement Rates for Services Provided by Direct Care Workers

SUMMARY: This resolve increases reimbursement rates to direct care workers. The resolve requires the Department of Health and Human Services to increase reimbursement rates to all direct care worker services that are provided in home and community-based settings and in residential settings by no less than \$2 an hour. (*MaineCare Secs 12, 18, 19, 20, 21, 26, 29, 96; State-funded Ch. 11, Secs 61, 63, 68, 69; MaineCare residential Secs. 2, 50, 67, 97 App C*) (Same as amended version of LD 2109 in 129th)

LD 1157 An Act To Ensure MaineCare Reimbursement Rates for Home and Community-based Services for Persons with Intellectual Disabilities or Autism Are Adjusted in Accordance with Increases in State and Municipal Minimum Wage

SUMMARY: This bill requires the Department of Health and Human Services to increase its reimbursement rates to providers of *home and community-based services to persons with intellectual disabilities or autism* by the same amount of increase required under the minimum wage law pursuant to the Maine Revised Statutes, Title 26, section 664, subsection 1 or by a municipal ordinance. If a municipal ordinance increases other wage requirements in the ordinance, such as a requirement for time-and-a-half in certain circumstances, that amount of increase is also required in the reimbursement rates.

LD 1469 Resolve, To Give Direct Service Providers Hazard Pay and To Pay Additional COVID-19 Pandemic Costs

SUMMARY: This resolve directs the Department of Health and Human Services to request a waiver from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services to increase the rates for *Secs 18, 20, 21 and 29* by 25% from January 1, 2021 to April 30, 2021 (all rates that were increased by 10% from March 1, 2020 to May 31, 2020 under App K).

LD 1267 Resolve, To Provide Medicaid Rate Increases for Professionals Working with Individuals with Intellectual or Developmental Disabilities

SUMMARY: This resolve requires DHHS to amend its MaineCare *Section 29* rules to increase reimbursement rates for professionals working with individuals with intellectual or developmental disabilities to provide an increase equivalent to the cumulative increase in costs as measure by the US DoL, BLS CPI medical care services index in each year from 2010 to 2020. (Sponsor would like to amend to include CPI going forward.)

ISSUES FROM TESTIMONY:

- Proponents for all bills: Workers can't wait for rate review.
- Losing workers to easier jobs that are paid the same or better. Loss of 16-20% of DSPs (1600-2000) in the last year. Approved hours that can't be filled. Overtime costs are skyrocketing. Portland-based providers struggling to spread a fixed wage rate component over a higher minimum wage and hazard pay requirements – ending services or relocating.
- Requirement to direct increases to direct care workers? Increases administrative burden?
- DHHS: Some rate increases over the past year or are scheduled to receive rate increases in the next few months and are sufficient to cover minimum wages. Rate Setting Evaluation recommends rebasing rates every five years. DHHS currently reviewing RSE recommendations and timeline. The department is exploring options for how the existing systems and processes may accommodate regional differences in rates (LD 1157).

FISCAL IMPACT:

OFPR preliminary fiscal impact statements:

LD 283: FY21-22 GF \$37,860,166 and FF allocation \$66,782,026, OSR \$112,314. Includes 4 limited period positions to handle the increased audit requirement necessary to ensure that the increase in wages and benefits to employees providing direct care services is equal to the amount of increase in reimbursement to be received by providers as required in the bill.

LD 878: For \$2/hour for all HCB and residential settings: FY21-22 GF \$10,959,315; FY22-23 GF \$49,136,580; FY23-24 GF \$52,609,346. FY21-22 FF match \$26,414,574 and OSR \$2,249,135. FY22-23 FF \$100,358,971 and OSR \$8,996,540.

Not yet received for LD 1157, 1267 or 1469.

LD	283	878	1157	1469	1267
MaineCare and/or state-funded sections	17 and 65 (daily living support only) (also see LD 196)	MC Secs 12, 18, 19, 20, 21, 26, 29, 96; also residential – 2, 50, 67, 97 App C; State-funded Ch. 11, Secs 61, 63, 68, 69	“home and community-based services to persons with intellectual disabilities or autism” – Secs. 21 and 29	Secs 18, 20, 21 and 29	Sec. 29
% or \$ increase	20%	\$2/hr	Minimum wage COLAs, including local ordinances	25% for 1/1/21 to 4/30/21 only	Amount of COLA 2010-20