



Testimony in Support of LD 878

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

Committee on Health and Human Services

Tuesday, April 20, 2021

Good afternoon, Senator Claxton, Representative Meyer, and members of the Committee on Health and Human Services. My name is Laura Cordes, executive director of the Maine Association for Community Service Providers. MACSP is the association of more than 70 organizations providing direct service and support to children, adolescents, and adults with intellectual and developmental disabilities (I/DD) to live and thrive in our Maine communities.

Thank you for the opportunity to come before you today to provide consolidated testimony in support of:

- *LD 1469, Resolve, To Give Direct Service Providers Hazard Pay and To Pay Additional COVID-19 Pandemic Costs*
- *LD 1267, Resolve, To Provide Medicaid Rate Increases for Professionals Working with Individuals with Intellectual or Developmental Disabilities*
- *LD 878, Resolve, To Increase MaineCare Reimbursement Rates for Services Provided by Direct Care Workers*

I'm grateful to each bill sponsor, for bringing these bills forward, for recognizing that the pandemic has further significantly destabilized this sector in every part of our state, and that real short term and long-term solutions are needed to retain and recruit the staff needed to provide the medically necessary daily supports to thousands of Maine's most vulnerable adults.

We have been talking about outdated and underfunded MainCare rates for quite some time.

For providers of IDD residential services, the wage rate component remains \$0.94 below minimum wage at \$11.21 an hour. Throughout the state, the majority of our providers are unable to support staff with incentive pay, or hazard pay, or compete with Walmart or fast-food restaurants to offer a competitive wage.

Fatigued and frustrated, DSPs have left the workforce during the pandemic for lower-risk and higher-paying positions.

We have lost 16-20% of our workforce - that's 1600-2000, Direct Support Professionals. New people are not coming through the door. Without enough staff, overtime costs are skyrocketing but must be paid as they are needed just to keep basic supports in place.

The weight of the additional pandemic costs has put providers in an untenable position. They are slowly collapsing services while hours of authorized services go unfilled and nearly 2000 Mainers remain on the waitlists.

Senator Craven's bill would help this sector now, with temporary increases in this fiscal year to stabilize and keep essential staff in place and help us through the pandemic. We have asked for this kind of support since the temporary three-month increases ended last May.

Looking forward, Senator Stewart's bill provides for an adjustment utilizing the Consumer Price Index, and Senator Keim's bill proposes no less than a \$2 rate increase. All of this is needed as we rebuild this fragile network.

I am thankful to members of this committee who previously supported the same temporary rate increases outlined in LD 1469 to be included in the Supplemental Budget. The Supplemental Budget *did* include, and we are thankful for, a service-specific CMS allowable three-month retainer payment for Community Supports Services to help restore some of the revenue lost when these programs closed during the surge of COVID cases late last year. The Supplemental Budget did not however include the temporary rate increases still needed to stabilize staff and services for this sector.

Several weeks ago, we did not know that the American Rescue plan Act would pass, and we are now incredibly hopeful that the dedicated 10% HCBS FMAP bump funds will be used to support

temporary increases this quarter and throughout the next year to support statewide efforts among providers to retain and recruit staff.

Looking ahead for the near term, we are appreciative that the current FY22 budget supports the Department's effort to specifically bring the wage rate component of Section 21 and 29 services up to minimum wage. While we await those details, we ask that you support increasing rates for these specialized, compassionate and essential direct care workers to a level *beyond* the current minimum wage, to rates that will support a competitive wage.

Last March more than three hundred Direct Support Professionals, advocates, parents, and allies submitted testimony in support of LD2109. This bill contained the recommendations of the bipartisan Commission to Study Long-Term Care Workforce Issues which included raising rates for Direct Care Workforce to support them with 125% of minimum wage.

This is the level of support we need in our state to begin to retain and rebuild the essential Direct Care Workforce that thousands of Mainers are relying on to provide the quality and vital care they need to live, work, connect with others, and thrive in the community.

Thank you again for your time and consideration. I would be happy to answer any questions you may have now or as you prepare for work sessions.

Respectfully Submitted,
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