

Janet T. Mills
Governor



Jeanne M. Lambrew, Ph.D.
Commissioner

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April 20, 2021

Senator Ned Claxton, Chair
Representative Michelle Meyer, Chair
Members, Joint Standing Committee on Health and Human Services
100 State House Station
Augusta, ME 04333-0100

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

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

This letter is to provide testimony in opposition to LD 1469, *Resolve, To Give Direct Service Providers Hazard Pay and To Pay Additional COVID-19 Pandemic Costs*. This resolve directs the Department to request an Appendix K amendment to its 1915(c) Home and Community-Based Services waivers from the Centers for Medicare and Medicaid Services (CMS) to increase the rates for direct service providers for adults with brain injuries, adults and others with intellectual disabilities or autism spectrum disorder and adults with other related conditions by 25% from January 1, 2021 to April 30, 2021.

The Department does not believe an increase in rates is warranted at this time. In March of 2021, the Department was appropriated just under a total of \$19 million (\$5.7 million in General Fund) as a one-time allocation to make Appendix K retainer payments to providers of services under Sections 18, 20, 21, and 29 for habilitation and personal care services – primarily community support and other day services through Maine’s Appendix K, Emergency Preparedness and Response for Section 1915(c) waivers. It was directed to a 90-day timeframe when service delivery was negatively impacted during the COVID-19 Public Health Emergency in order to support providers experiencing revenue loss. This was signed into law on an emergency basis on March 17, 2021 through the supplemental budget for fiscal year ending June 30, 2021, Public Law 2021 Chapter 1.¹ The Department is currently working with CMS to get approval on the Appendix K amendment and working out the details and timing of payments.

As acknowledged in the bill, the Department also temporarily increased rates by 10%, effective 3/1/20 through 5/31/20, to account for additional costs related to operating during the COVID-19 emergency including, but not limited to: excess overtime or premium pay to ensure sufficient direct care workers to cover staffing needs; infection control supplies; and other additional or unanticipated service costs. These temporary increases applied to services under Sections 18, 19, 20, 21 and 19, and totaled \$12.9 million all funds, \$3.9 million General Fund.

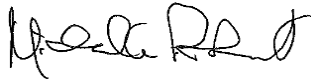
¹ <http://www.mainelegislature.org/legis/bills/getPDF.asp?paper=HP0155&item=22&snum=130>

In addition, the Department temporarily added “Emergency Quarantine Services” to Section 18, 20, 21, and 29, effective March 1, 2020 through the end of the Appendix K period with an accompanying per diem rate for \$665.28 (\$27.72/hour). This service is primarily for individuals who need to be quarantined away from their housemates and require support 24 hours/day.

Moreover, the Department temporarily added Shared Living Services, direct support, personal care and medication oversight provided to a member in a private home, to Section 20, and expanded the number of members allowed within Shared Living Settings under Sections 21 and 29 from one (1) member to up to three (3) members in a single placement. The State will maintain rate increases for Shared Living Services provided in Section 20, 21, and 29 effective June 1, 2020 through the end of the Appendix K period.

We wanted you to be aware of the above information as you consider this bill going forward. If you have any further questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle Probert".

Michelle Probert
Director
MaineCare Services