



LD 1279, An Act To Increase the Minimum Wage

April 12, 2021

Senator Rafferty, Representative Sylvester, and members of the Joint Standing Committee on Labor and Housing, my name is Laurie Belden. I am a resident of Durham and serve as the executive director of the Home Care & Hospice Alliance of Maine -- a membership organization representing home care, home health care and hospice providers across the State. I am testifying in opposition of LD 1279.

Members of the Alliance care for older adults and disabled Mainers of all ages - allowing them to stay in their home and community. Annually, our provider members deliver care to more than 45,000 clients in their residences across Maine, traveling more than 20 million miles. Our providers employ a wide-range of workers (from registered nurses, to therapists to personal support specialists) – making our sector of the healthcare continuum a large contributor to Maine’s economic growth and prosperity.

Across Maine there are over 16,000 home health and personal care aides who assist older adults and people with disabilities with essential daily tasks and activities across a range of long-term care settings. These are typically the entry-level, low wage positions. This quality, compassionate, and often intimate care, preserves the patients’ dignity and independence through assistance with bathing, toileting, dressing and eating.

The Alliance leadership and other stakeholders have long advocated for increased compensation for this essential pool of workers that would better reflect the valuable service they provide to patients and their families. A higher minimum wage would, in theory, be a very welcome incentive to retain workers and to attract prospective workers to this field. However, as long as MaineCare beneficiaries account for a significant portion of the client base of our home care, home health care, and hospice providers, employers are limited in how much they can compensate staff, due to established MaineCare reimbursement rates. These rates have not kept pace in recent years with increased cost of living, workforce shortages and competition, employment trends, etc., and employers are already having a difficult time remaining in operation and maintaining necessary staffing levels.

Not only are rates not adjusted in tandem with increased cost of living and with consideration to labor shortages, our industry has been hit hard over the past two years with Federal, State and local mandates (such as minimum wage hikes, electronic visit verification, and paid time off) – none of which triggered a comparable increase in MaineCare reimbursement rates. Another increase to minimum wage – or any other mandate – will be detrimental to the already fragile in-home care infrastructure unless Federal and State reimbursement rates are adjusted concurrently.

Thank you.

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