



**Testimony of Angela Cole Westhoff, President and CEO
Maine Health Care Association**

To the Joint Standing Committee on Labor and Housing

February 14, 2023, at 1:00 pm

Testifying neither for nor against **LD 116, An Act to Establish a Minimum Wage for All Health Care Workers Including All Support Staff**

Senator Tipping, Representative Roeder, and distinguished members of the Committee on Labor and Housing:

My name is Angela Westhoff, and I serve as the President & CEO of the Maine Health Care Association. We represent approximately 200 nursing homes, assisted living, and residential care facilities (also known as Private Non-Medical Institutions or PNMIIs) across the state. Our mission is to empower members to ensure the integrity, quality, and sustainability of long term care (LTC) in Maine.

I am providing testimony neither for nor against LD 116. This bill sets a minimum wage of \$15 an hour for individuals employed by or who work in a health care facility.

All our staff are critical members of the team in long term care. We employ a broad team of workers to ensure our residents are well cared for: from direct care staff to housekeepers, cooks, laundry and dietary staff, maintenance professionals, and many more. Simply put, our facilities can only function effectively with the tireless work of every type of long term care employee. We recognize the importance of competitive wages for workers, and we sincerely appreciate the intent of this bill.

However, we are concerned about adopting this minimum wage raise without a corresponding increase to our MaineCare rates. The primary (in many cases the only) source of LTC facility funding is MaineCare. This bill would increase the cost of providing care but does not, in its current form, specify a corresponding increase in MaineCare rates. It is no secret that Maine's nursing homes and assisted living facilities are already struggling to keep their doors open. The latest estimates from BerryDunn suggest Maine's nursing homes will have a \$59,763,003 shortfall in funding for 2023. This bill's mandatory increase to our sector's minimum wage would undoubtedly increase the shortfall and add additional strain to our industry. The cost of providing long term care already exceeds the reimbursement long term care facilities receive.

We urge the committee to amend the bill language to include an appropriate increase in long term care facilities' Medicaid rates to cover labor, fringe benefits and taxes to ensure that our facilities could comply and remain solvent.

Thank you for the opportunity to provide comments.