



Wage and Benefits and General Working Conditions Working Group 2024 Recommendation to Maine's Essential Care & Support Workforce Partnership's Advisory Council

Background:

The Wage & Benefits and General Working Conditions group focused on implementing recommendations to improve compensation, benefits and working conditions that make essential care and support work attractive and sustainable. The working group met four times in October and November 2024 to review recommendations that emerged from the [The Future of Maine's Care Workforce Planning Summit Culminating Report](#) and to adapt ideas based on in-depth group discussion. The members of this group created a problem statement¹ to be sure they were deliberating on solutions to the same problem. Following the final meeting, working group members arrived at three recommendations.

Final Recommendations:

1. Raise the labor portion of the state's reimbursement rate for supports and services provided by essential support workers under MaineCare or state-funded programs from at least 125% to at least 140% percent of the state minimum wage and set a wage floor of 125% of the state minimum wage.
2. Create a Direct Care Professional Monthly Benefit Stipend program that direct care professionals apply for, adjusted based on hours worked and years in the profession, to help them afford benefits such as health care, retirement, child care, transportation, or higher education.
3. Create a current listing of resources available from the state and other entities, to educate direct care agencies and professionals about existing programs to access health care, housing, child care, nutrition, and other benefits.

¹ How to provide livable wages and benefits to attract and retain direct care professionals with potential opportunities for advancement, ensure they can meet their financial obligations with one job, and provide high-quality care to all Maine people who need it.

Discussion:

1. Raising the labor portion of reimbursement to at least 140% of minimum wage and a 125% wage floor:

The working group reached consensus on this as a primary means of providing more funding to enable better wage and benefits packages for direct care professionals. Some working group members highlighted issues with the original implementation of the 125% reimbursement mandate, including confusion about whether it meant workers could be paid no less than that amount. Providers reported they would have benefited from more guidance on how it would work to deal with wage compression. Others noted that employers that were already paying above 125% of minimum wage did not see the same benefit and felt they were being penalized for their employment efforts. Some thought 140% was insufficient to reach a sufficiently attractive wage level and the reimbursement rate should be higher.

If the Partnership's advisory committee were to act on this recommendation and introduce legislation, the working group advises specific legislative guidance on how to implement this change effectively and language that ensures reviewing the program to assess whether wages and benefits levels are competitive.

Discussion participants noted that raising labor reimbursement would provide more resources for employers to provide longevity wage premiums and improve benefits packages, both of which are critical to retaining professionals already in the field.

Much of the cost associated with this change would be paid by the federal government, resulting in an infusion of money in the hands of workers all across the state. By bolstering investing in direct care professionals and bolstering their ranks, this initiative stands to help lower the myriad costs our state currently faces from undervaluing direct care workers, such as limiting overall employment and hours worked, lowering economic output and public revenue, taxing hospital capacity, all while leading to worse and more costly health impacts for people not receiving the supports and services they need and are eligible for.

2. Creating a Direct Care Professional Monthly Benefit Stipend program

After robust discussion, working group co-chairs suggested creating an incentive for employers to offer good benefits, such as a reimbursement premium for employers that meet certain benefits standards. Group members wanted the benefit to go directly to workers to ensure it was reaching the intended target. Others noted that each worker has different needs – one worker's primary need may be health insurance while another worker's priority may be access

to child care or maintaining a vehicle.

Therefore, the working group arrived at a recommendation of a stipend program available to all direct care professionals. The stipend could be delivered to workers on a monthly basis, adjusted for time served and hours worked up to 40 per week, which employers could affirm, to incentivize retention and working more hours full time. There was consensus that professionals should be left to decide how to spend the stipend, rather than imposing unnecessary administrative hurdles. Discussion of a stipend amount was inconclusive, which the group recognized required more consideration and research to establish.

Other ideas that were discussed included creating a subsidy for direct care professionals to purchase insurance on the state marketplace; establishing a statewide coalition to manage benefits for smaller employers; and providing direct care professionals access to the public sector state benefits plan to access better rates.

3. Improve understanding of already existing assistance programs for providers and professionals

Throughout its discussions, the working group recognized that while our state needs to improve wages and benefits for direct care professionals, workers and employers may qualify for many existing programs they are either unaware of or do not know how to access. The working group discussed creating a library of resources to help workers and their employers navigate existing programs that provide assistance for housing, health care, retirement, utilities, child care, among other needs. This effort could begin with further discussions among working group members who could do a landscape scan of what resources already exist, learn from previous efforts, and decide whether to pursue funding to contract with an agency to produce a comprehensive guide or to fund navigators who can help workers access benefits. The group indicated a desire to create and distribute a document created specifically for direct care professionals on current available resources.