

Closing the Gap: Maine's Direct Care Shortage and Solutions to Fix It

By Arthur Phillips, Economic Policy Analyst
Maine Center for Economic Policy

Executive summary

Today in Maine, thousands of older adults, people with disabilities, and individuals with behavioral health challenges do not receive the personal care and support services they qualify for through state and federal programs. For example, over 23,500 hours of approved home care for older adults go undelivered each week while others seeking care outside these programs also struggle to get the support they need. To secure the health of Maine residents and our economic stability, we need bold solutions to the critical problems in our direct care system.

In 2023, Maine Center for Economic Policy (MECEP) published *The High Cost of Undervaluing Direct Care Work*, a report highlighting how low pay and poor benefits lead to high poverty, turnover, and burnout among direct care workers. These realities have far-reaching economic consequences for providers, consumers, and family members, impacting Maine's workforce, public revenue, and economic vitality by limiting people's ability to participate fully in our economy.

***Closing the Gap: Maine's Direct Care Shortage and Solutions to Fix It* aims to estimate Maine's "care gap" — the disparity between the care needed and available.** This report builds on MECEP's previous work to support efforts by academics, advocates, consumers, state health officials, policymakers, and providers to address issues that impact our direct care system. By quantifying the current care gap, what it will take to address it, and the costs of inaction, we hope to bring these issues into greater focus and identify solutions.

MECEP estimates:

- Maine needs more than 2,300 additional full-time workers to bridge the gap between the care people are entitled to and approved for and what is available. This conservative estimate does not include behavioral health staff or account for the much larger number of workers who leave direct care jobs each year.
- Maine needs to raise the MaineCare reimbursement rate for the labor portion of direct care supports and services to at least 140% of the state minimum wage to compete in the current labor market.

Addressing direct care workforce challenges will require a comprehensive approach including:

- Collaboration and engagement by policymakers with direct care workers, consumers, and advocates on developing policies that address these workforce issues.
- Enhanced job quality through better wages, benefits, training, scheduling, and respect, especially during a period of economic growth and historically tight labor markets. Despite some progress in recent years, direct care workers continue to earn less than people in other jobs with similar entry-level training. Proper commitment to and reimbursement of public dollars and fixing how rates are passed to workers are key to attracting and retaining staff.
- Improved data collection. Data driven efforts are essential for tracking and meeting Maine's care needs, and to be effective they must be paired with engagement of workers, consumers, public agencies, and advocates to identify and implement solutions and design a system to track progress over time.