Senator Bailey, Representative Perry and Members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, I am Katie Fullam Harris, and I am here to testify in opposition to LD 1533.

Very simply, this bill is intended to limit payments to hospital-based centers that provide care to Maine’s communities. The types of services that would be impacted include infusion therapy and radiology therapy centers, behavioral health clinics, and hospice and home health providers that operate under a hospital’s license. These are services that will not be sustained should payments be reduced to hospital-based providers.

In addition, the vehicle that this bill uses to achieve such savings is the requirement that every outpatient department of a hospital or facility obtain and use its own unique National Provider Identifier (NPI). As the bill is drafted, every hospital-based home health agency and hospice provider would have to apply for a separate NPI number for every home they visit. The unnecessary administrative burden associated with that would likely result in significant reductions in the availability of these critically important services.

While we can all express frustration and concern with the manner in which health care is paid for today, the reality is that Maine’s hospitals are the backbone of our state’s health care infrastructure. Hospital-based providers are ensuring access to care to all Maine people – regardless of their insurance status - throughout our state. We do not see for-profit companies clamoring to set up services and employ local people in places like Rumford, Farmington or Pittsfield. Nor do we see for-profit providers opening their services widely to those who rely upon MaineCare or who are uninsured.

It’s Maine’s non-profit hospitals that provide access to an array of inpatient and ambulatory care throughout Maine. While for-profit companies seek a financial return on investment for their shareholders, Maine’s hospitals seek to meet their missions and visions, such as MaineHealth’s own “Working Together so our Communities are the Healthiest in America.”

The current health care system is extremely fragile. Hospitals are struggling financially, and they are doing all that they can to maintain access to services during this challenging time. The financing of hospitals is like a piece of fabric: if you pull one thread, you can end up unraveling the entire piece. This bill is an example of an attempt to pull a thread that could result in the demise of a system that delivers excellent quality care to the people of Maine.