

January 17, 2024

Senator Joseph Baldacci
Representative Michele Meyer
Members of the Joint Standing Committee on Health and Human Services
Cross Building, Room 209
100 State House Station
Augusta, ME 04333

Testimony Neither for Nor Against LD 1955: An Act to Require Hospitals and Hospital-affiliated Providers to Provide Financial Assistance for Medical Care

Dear Senator Baldacci, Representative Meyer, and Members of the Joint Standing Committee on Health and Human Services,

Thank you for the opportunity to share thoughts on LD 1955. I support the intent of this bill to make hospital free care more accessible to eligible patients, and am testifying neither for nor against the bill in deference to other parties regarding the details of the legislation.

On September 27th, 2023, the Office of Affordable Health Care held its first statutorily required public hearing to present on cost trends and barriers to affordable health care, and to allow members of the public to share input. Stakeholders and the public were invited to attend and speak in person, or to submit written comments to the office. Multiple speakers raised issues with access to hospital free care, including two Community Health Workers who shared specific experiences encountering barriers to navigating hospital programs when assisting patients. In particular, they cited absent or incorrect guidance about which services were covered by free care; lack of available information about free care policies, including translated materials and applications; and low caps on eligibility at some hospitals.

Hospital free and discounted care programs fill a critical gap for Maine people who would otherwise be financially devastated by the cost of receiving care. While Maine's rate of uninsurance has decreased in recent years, gaps remain that pose significant affordability barriers for consumers. According to 2022 census data, about 6.6% of Maine's population remains uninsured, roughly 90,000 individuals.¹ Nearly 19,000 of those people are in households with income levels below 138% of the federal poverty level, the income under which adults are generally eligible for MaineCare. The remaining 70,000 have higher incomes and may be uninsured due to cost or administrative friction. Additionally, even Maine residents with insurance face affordability barriers when accessing care in the form of unaffordable out-of-pocket costs. The result is that more than 15% of Mainers had medical debt in collections as of early 2022, the highest rate in New England.²

Maine is one of nineteen states that have already established hospital free care requirements that provide greater specificity than federal statute.³ The testimony provided at the Office of Affordable

¹ U.S. Census Bureau. "Selected Characteristics of Health Insurance Coverage in the United States." *American Community Survey, ACS 1-Year Estimates Subject Tables, Table S2701*, 2022. [https://data.census.gov/table/ACSST1Y2022.S2701?q=maine health insurance](https://data.census.gov/table/ACSST1Y2022.S2701?q=maine%20health%20insurance).

² Consumer Financial Protection Bureau. "Medical Debt Burden in the United States," February 2022. https://files.consumerfinance.gov/f/documents/cfpb_medical-debt-burden-in-the-united-states_report_2022-03.pdf

³ The Commonwealth Fund. "State Protections Against Medical Debt: A Look at Policies Across the U.S.," September 2023. <https://www.commonwealthfund.org/publications/fund-reports/2023/sep/state-protections-medical-debt-policies-across-us>

Health Care annual hearing, however, suggests that greater standardization and oversight would benefit consumers. In particular, I urge the committee to support the following elements of the legislation:

- Standardization of application processes including a uniform methodology for calculating income.
- Creation of stronger requirements for patient notification of free care programs, to ensure that patients can understand their eligibility and the parameters of the program.
- Consideration of a higher minimum eligibility threshold for free care, that acknowledges the continued prevalence of medical debt in Maine.

Thank you for your attention to this issue and the opportunity to comment. If you have any questions, or if I can be of assistance, please do not hesitate to reach out.

Sincerely,

A handwritten signature in black ink, appearing to read "Meg Garratt-Reed". The signature is fluid and cursive, with a long horizontal stroke at the end.

Meg Garratt-Reed

Executive Director, Office of Affordable Health Care