

# MaineHealth

## Testimony of Katie Fullam Harris, MaineHealth Regarding portions of the Governor's Change Package to LD 2214 The Governor's Supplemental Budget

**Tuesday, April 2, 2024**

Senator Rotundo, Representative Sachs, and distinguished members of the Joint Standing Committee on Appropriations and Financial Affairs, I write on behalf of MaineHealth in support of specific provisions of the Governor's proposed Change Package.

MaineHealth is an integrated nonprofit health care system that provides a continuum of health care services to communities throughout Maine and New Hampshire. Every day, our 23,000 care team members support our vision of "Working Together so Our Communities are the Healthiest in America" by providing a range of services to all in need, regardless of insurance status, from primary and specialty physician services to a continuum of behavioral health care services, community and tertiary hospital care, home health care and a lab. MaineHealth is proud to provide Maine with high quality care that has been recognized by Leapfrog; US News and World Report, Magnet Nursing Status and many other awards.

As I testified in February, approximately 100 people are "stuck" in a MaineHealth hospital every day awaiting discharge to an appropriate residential setting, with most requiring skilled or nursing facility level of care. At the same time, nursing homes are closing or transitioning to lower levels of residential services that cannot meet the needs of those who are stuck as inpatients. It is a significant problem that is a result of underfunding by MaineCare and a labor shortage. MaineHealth's three nursing facilities operate at an annual loss of \$30 million.

Thus, we appreciate the Governor's recognition of the need to better support nursing facilities through Part SSS in the Change Package. This support is desperately needed – and it is needed now. Thus, we were surprised to see that the proposed fund does not take effect until January 1, 2025. We join the Maine Health Care Association in supporting amendments that will ensure a more stable financial scenario for nursing facilities, many of which continue to teeter on the brink of insolvency. As the oldest state in the nation, Maine can ill-afford to lose more residential care for our most vulnerable residents. In fact, we need to support a financial foundation that will build needed capacity to meet the needs of our vulnerable in the future. This crisis is real, and, with appropriate safeguards and tweaks, these funds can go a long way towards stabilizing struggling providers.

Finally, we are also supportive of the funds proposed to support Health Info Net. We understand that the State's investment will result in needed federal resources, which will help offset the cost of HIN to Maine's hospitals and other providers.

Thank you and I can be available to answer questions at your convenience.

Sincerely,  
Katie Fullam Harris

