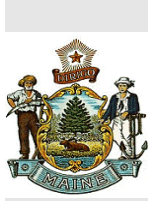


Janet T. Mills  
Governor

Sara Gagné-Holmes  
Commissioner



Maine Department of Health and Human Services  
Office of MaineCare Services  
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March 13, 2025

Senator Ingwersen, Chair  
Representative Meyer, Chair  
Members, Joint Standing Committee on Health and Human Services  
100 State House Station  
Augusta, ME 04333-0100

Re: LD 331 – *Resolve, Directing the Department of Health and Human Services to Ensure Timely Reimbursement Under MaineCare Regarding Hospital Cost Reports*

Senator Ingwersen, Representative Meyer and members of the Joint Standing Committee on Health and Human Services, thank you for the opportunity to provide information in opposition of LD 331, *Resolve, Directing the Department of Health and Human Services to Ensure Timely Reimbursement Under MaineCare Regarding Hospital Cost Reports*.

This bill requires the Department of Health and Human Services to amend its rules in Chapter 101: MaineCare Benefits Manual, Chapter III, Section 45, Hospital Services, to require the Department to reimburse at least 75% of the as-filed settlement pursuant to a hospital's cost reports within 90 days of receipt. It requires the Department to accomplish this within existing resources.

The Department is not opposed to the concept of the bill; however, the operationalization of the proposed reimbursement practices is not feasible utilizing existing resources. As written, the Department would be required to borrow funds from future fiscal years in order to make as-filed payments within 90 days of receipt. One-time funding would need to be allocated July 1, 2026, in order to get ahead of the payments and eliminate the need to borrow funding from future fiscal years. If this funding were to be allocated, the Department would have no identified concerns with reimbursing at least 75% of the as-filed settlement pursuant to a hospital's cost reports within 90 days of receipt as proposed in this bill.

The Department would be happy to provide additional information and further discuss the challenges associated with LD 331 and our opposition to moving forward with the bill without allocating one-time funding to support the change. Please feel free to contact me if you have any questions during your deliberation of this bill.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michelle Probert'.

Michelle Probert  
Director  
Office of MaineCare Services  
Maine Department of Health and Human Services