



**Testimony of Paul Chausse, MaineHealth  
In Opposition to LDs 558, 902, and 1030  
Monday, March 31, 2025**

Senator Bailey, Representative Mathieson and distinguished members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, my name is Paul Chausse. I am MaineHealth's Vice President for Revenue Cycle, and I am writing to testify in opposition to LD 558, "An Act to Strengthen Consumer Protections by Prohibiting the Report of Medical Debt on Consumer Reports," LD 902, "An Act to Establish the Medical Debt Relief Program, and LD 1030, "An Act Regarding the Reporting of Medical Debt on Consumer Reports." I am sorry that MaineHealth missed the opportunity to testify at the hearing; we are submitting this testimony as we are very concerned about the unintended consequences of these bills.

MaineHealth is an integrated non-profit hospital system that provides a full continuum of health care services to the residents of eleven counties in Maine and one in New Hampshire. As part of our mission of "Working Together So Maine's Communities are the Healthiest in America," MaineHealth's members are committed to providing access to health care services for all patients regardless of their ability to pay or insurance status.

MaineHealth recognizes the serious challenges faced by many Mainers who are unable to pay the out-of-pocket costs for health care. To that end, MaineHealth provides free care to those at or below 200% of the federal poverty level, above and beyond the state requirement of 150%. In addition, MaineHealth has developed Access to Care programs, including the MaineHealth Coverage Team, which specializes in helping uninsured or under-insured patients enroll in programs such as MaineCare and the Health Insurance Marketplace, and applying for free care.

The bills under consideration are well intentioned but ignore the reality that the cause of medical debt for Mainers is often inadequate commercial insurance coverage, which frequently comes in the form of high deductible plans. The explosion of high-deductible health plans has created a system where patients are routinely left with \$3,000–\$10,000 in out-of-pocket responsibilities. Importantly, these plans often cover individuals making well below 400% of the federal poverty level, who do not have the resources to cover the out-of-pocket costs.

Health insurers take no risk with these policies if the consumer cannot pay their deductibles, as they have already been paid their premium by plan sponsors or consumers. Instead, hospitals assume the financial risk, providing care to patients without a guarantee of payment. In fact, in Fiscal Year 2023, MaineHealth absorbed nearly \$57 million of bad debt (at cost) which represented individuals – most of whom had insurance – whose income exceeded 200% of the poverty level but who could not afford their out-of-pocket health care costs

Importantly, MaineHealth provides three written notices, each with information about financial assistance policies, over the course of 120 days before sending unpaid medical bills to collection. Prohibiting a hospital from reporting information on unpaid debt to a credit reporting agency or bureau could remove an incentive for individuals to acquire health insurance and could incentivize patients to forego paying bills for care altogether. One of the only tools hospitals have left to collect balances after insurance is reporting medical debt to the credit bureaus.

MaineHealth shares the concern over the high cost of health insurance and health care and the growing out-of-pocket cost burden on patients, and we are committed to reducing the financial burden on patients. Instead of addressing the underlying costs of health care and supporting a system that meets the needs of all patients, these bills tie the hands of the one side of the equation that is providing care to all regardless of ability to pay. I urge you to oppose the legislation before you today. Sarah Calder or Katie Fullam Harris are happy to answer questions.

Thank you for your consideration.