

My name is Melanie Blaney. I am the Practice Administrator at Scarborough Physical Therapy Associates. I have had the pleasure of working at Scarborough PT for the last 27 years. Over the last 20 years, we have seen an increase in administrative responsibilities put in place by insurance carriers. More concerning is the significant, debilitating, near practice closing reductions in reimbursement rates from commercial insurance carriers.

Reimbursement rates currently in place are anywhere from 14% - 43% less than reimbursement rates 20 years ago, depending on the insurance carrier. Multiple attempts to negotiate new reimbursement schedules are either ignored, denied or the rates are labeled as adequate. To quote a response from Anthem Blue Cross Blue Shield in their refusal to negotiate a reimbursement rate update, "the fee schedule currently in place is adequate and balances the needs of providers, members and employer groups". This is enraging and insulting.

As an Employer who offers health insurance coverage for employees, we have seen the cost of member premiums increase 44% from 2005 to 2025. Increasing from \$496.05 per member to \$718.19 per member. Not only have monthly premiums increased significantly, but our employees and patients alike have seen an increase in member financial responsibility. HMO policies have increased co pay amounts significantly, forcing migration to large deductible policies. These less expensive, more affordable policies come with a significant increase in benefit limitations. Hardly in the best interest of the employer, member or patient.

After years of reduced or stagnant reimbursement rates, private clinics and practitioners are at a breaking point. We have faced an average of 14% - 43% payment per visit reduction, rising practice expense costs, financial uncertainties resulting from the pandemic, elections etc. and workforce shortages. These ingredients have the potential to tip the scale and close independent practices unless something changes. Providers deserve fair and equitable reimbursement and patients deserve exceptional care and the choice of where they receive that care.

Commercial Insurance Carriers are proving to be unwilling to partner with independent practices to devise reasonable payment structures which will help ensure practice viability and sustainability. Practices being forced to leave a commercial network, essentially puts them out of business, and denies patients' choices in where they receive their care.

I strongly encourage the committee to pass LD1152 to give power to private practices to be out of network with insurance carriers who prove uninterested in a collaborative effort with providers to provide quality care. This bill will also protect the patient population from exorbitant out of pocket financial costs and burdens. Insurance Carriers are increasing their policy premiums, reducing payment to providers, refusing to negotiate reasonable payment structures and shifting more and more financial responsibility to its members. These actions are leading to more and more providers leaving networks or closing their doors for good.

The time for change is now.