



**Testimony of Marge Kilkelly on Behalf of  
the Maine Council on Aging to the  
Committee on Health Coverage, Insurance, and  
Financial Services.**

**In Favor of LD 1018 An Act to Protect Health Care for  
Rural and Underserved Areas by Prohibiting  
Discrimination by Participants in a Federal  
Drug Discount Program**

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Senator Bailey, Representative Mathieson, and Members of the Committee on Health Coverage, Insurance, and Financial Services.

My name is Marge Kilkelly, and I am a Policy Consultant for the Maine Council on Aging (MCOA) which is a broad, multidisciplinary network of over 140 organizations, businesses, municipalities, and older community members working to ensure we can all live healthy, engaged, and secure lives with choices and opportunities as we age at home and in community settings. The MCOA is a unifying force across sectors that is creating a new narrative about aging and older people in Maine with the goal of building local, statewide, and national support for the systemic changes needed to support our new longevity.

**I am testifying in Favor of LD 1018 An Act to Protect Health Care for Rural and Underserved Areas by Prohibiting Discrimination by Participants in a Federal Drug Discount Program.**

Rural Maine is rugged, beautiful and home to more than 300,000 hearty Mainers who are over the age of 65. These are people who have built communities and worked hard their entire lives, often at physically demanding jobs that were not well paid. Older Mainers are often determined to stay in their rural homes and communities where they have family, friends, and other social networks. Unfortunately, they are finding it increasingly difficult to meet this goal.

About one-third of Mainers over the age of 65 depend on income from Social Security benefits alone, without any reliance on retirement savings. That translates to roughly 102,000 Mainers in 2025 with an average monthly benefit of \$1,900.00 per month. However, many Mainers, especially women, receive less because of working part time, being a stay at home parent, a caregiver, or earning relatively low incomes in working years.

In 2022, the Muskie School of Public Service published a data report on the Economic Security of Older Women in Maine, prepared for the Maine Women's Lobby Educational Fund and the Maine Council on Aging. This report documents the devastating impacts of lifelong economic gender disparity on older women in Maine and nationally. Specifically, the report shows that more than half of the 50,000 Maine women (65+) who live alone do not have enough money to meet their basic needs, as determined by the Elder Economic Standard Security Index (the Elder

Index). The Elder Index finds that an older Mainer in good health living in a home she owns without a mortgage needs a monthly income of \$2,110 just to meet her basic needs.

While many believe that once a person is eligible for Medicare they have no healthcare financial responsibility, it is important to note that Medicare's benefit design requires premiums, cost shares, deductibles, prescription drug coverage, and individuals pay for hearing aids and glasses. While Medicare Advantage (MA) caps enrollee out-of-pocket costs, that ceiling, is nearly \$9,000 in 2024. This often means that people are unwilling to access much needed care for fear of adding debt. An August 2024 Medicare Watch report found that (62%) of older people with health-related debt and the resulting financial instability caused them to avoid or delay care due to cost. They postponed medical appointments, did not get doctor-recommended tests or treatments, and did not take a prescription medication as directed. This leaves them vulnerable to increased severity of disease or health crisis.

In rural Maine, Federally Qualified Health Centers (FQHCs) are safety net providers who not only deliver truly patient centered care, but also actively support the social health needs of their patients. The FQHCs know their communities particularly because 51% of their Boards of Directors must include patients served by that FQHC.

FQHCs rely on funds from a federal program known as 340B to meet community basic needs, like dental programs, food pantries, transportation, community health workers, mental health services, and expanded low or no cost drugs such as insulin. These services help older Mainers stay healthy and living in their homes and communities.

The 340B program requires pharmaceutical manufacturers who participate in the Medicaid program to sell certain outpatient drugs to safety-net providers at a discount who then re-invest these savings into patient services. Think of it as a medical version of the Community Reinvestment Act, requiring the companies that make significant profits from the sale of their products to reinvest a tiny portion of those profits back in the communities where it is needed.

Over the past five years, pharmaceutical manufacturers have placed several restrictive and discriminatory requirements on 340B entities, resulting in millions in lost savings for Maine's FQHCs, and millions of fewer dollars invested in programs that meet the needs of older Mainers. LD 1018 prevents these discriminatory practices and protects the healthcare safety-net in Maine.

We urge you to act in support of LD 1018.