

Kathryn Brooks  
Hiram  
LD 1785

In Support of L.D. 1785 – “An Act to Encourage Competition by Requiring Independent Health Care Provider Cost-of-living Adjustments in Health Insurance Contracts” (HP1196)  
May 2025

Senator Baldacci, Representative Mathieson, Representative Boyer, and Members of the Committee on Health Coverage, Insurance and Financial Services:

I am writing today in strong support of L.D. 1785, “An Act to Encourage Competition by Requiring Independent Health Care Provider Cost-of-living Adjustments in Health Insurance Contracts.”

As a recent provider on the frontlines of outpatient care for children with complex needs, I want to thank you for recognizing the administrative and financial challenges we face. Between rising wages, increasing regulatory requirements, and stagnant reimbursement rates from commercial insurance companies, delivering high-quality services sustainably has become increasingly difficult.

While I support this bill, I am writing to request one key amendment: please remove the restriction that limits eligibility to healthcare providers with "fewer than 25 practitioners."

A colleague of mine owns an agency that employs approximately 45 therapists across three clinics, but never more than 25 at any one location. They strategically opened additional sites to increase access for families and to reduce the burden of travel, not to create a large corporate operation. Despite their size, they receive the same commercial insurance reimbursement rates as a single-therapist practice and do not have the leverage to negotiate higher rates like hospital systems or inpatient facilities. The cost pressures they face are no different—often greater—as they work to maintain high-quality services and retain their talented staff.

We are seeing more and more therapists leave outpatient settings in favor of hospitals, nursing homes, and inpatient facilities, where reimbursement rates are more sustainable. Without regular, cost-of-living-based rate adjustments and equitable treatment in insurance contracts, outpatient clinics like ours—regardless of size—will continue to struggle.

I respectfully ask that you consider removing the "25 practitioner" cap and instead consider language that prioritizes outpatient practice settings, which are often the most accessible and cost-effective points of care for families with commercial insurance.

Thank you for your time and your commitment to supporting Maine’s independent healthcare providers and the families we serve.

Sincerely,

Kathryn Brooks OTR/L