

Testimony in support of LD 1937, An Act to Require Hospitals and Hospital-affiliated Providers to Provide Financial Assistance Programs for Medical Care

May 12, 2025

Senator Ingwersen, Representative Meyer, and members of the Health and Human Services Committee. I'm Dr. Julie Pease, Chair of the Board of Maine AllCare. Thank you for the opportunity to provide this testimony in support of LD 1937, *An Act to Require Hospitals and Hospital-affiliated Providers to Provide Financial Assistance Programs for Medical Care*

As you may know, Maine AllCare is an organization that was created to educate and advocate for healthcare for everyone in Maine. While this bill does not further that goal, LD 1937 does provide a partial safety net for those low-income individuals and families who meet certain eligibility requirements for financial assistance.

LD 1937 will make charity care more accessible, by requiring hospitals to make patients aware of the availability of charity care, and by establishing reasonable rules regarding the application process, notifications about eligibility and eligibility determinations. It will require reasonable payment plans for eligible individuals and families and, in the case of charity care, it will advise patients of their right to a hearing following a denial.

The Lown Institute recently released its 2025 Fair Share Spending Report, "Making the Hospital Tax Exemption Work for Communities". The report compares not-for-profit hospitals' spending on "meaningful community investment" with the estimated value of their federal, state, and local tax exemptions. According to the report, 54% of U.S. hospitals had a "fair share deficit" — meaning they received more in tax benefits than they invested in their communities. Maine hospitals were not assessed for the 2025 report. However, the 2024 report indicated that 83% of Maine hospitals received more in tax benefits than they invested in their communities, to the tune of \$196 million.

LD 1937 would reduce or correct Maine hospitals' "fair share deficit". And LD1397, if enacted, will certainly relieve a great deal of stress for Maine's most financially vulnerable patients.

On behalf of Maine AllCare I urge you to vote "Ought to Pass" on LD 1937.

Thank you for your consideration.