



Testimony Neither For Nor Against

LD 1878, An Act to Establish a Managed Care Program for MaineCare Services

Senator Ingwersen, Representative Meyer and Distinguished Members of the Health and Human Services Committee:

My name is Gwen Simons. I am a PT and healthcare attorney from Scarborough and the lobbyist for Maine Chapter of the American Physical Therapy Association ("MEAPTA"). The Maine APTA represents over 2500 physical therapists (PTs) and physical therapist assistants (PTAs) in Maine. We are testifying neither for nor against LD 1878, *An Act to Establish a Managed Care Program for MaineCare Services*.

We acknowledge that there are significant problems with MaineCare, but question whether conversion to a managed care program will resolve the issues. We do not believe there are overuse, fraud, abuse or overpayment of claims problems. The primary problems we have identified are extraordinary wait times for prior authorization approval and low reimbursement to providers.

It is not unusual for MaineCare to take 30 or more days to approve prior authorization of PT services *on a post surgical claim* where the patient needs to be scheduled right after surgery. Long waits like this are extremely detrimental to post-op patients whose surgical outcome depends on early PT intervention.

Low reimbursement for MaineCare patients is the other major problem. Even with the increase in PT reimbursement a couple of years ago, Many PTs are not MaineCare providers because their cost to provide services is higher than the reimbursement per visit. We are concerned that a managed care organization will reduce MaineCare reimbursement even more, worsening the current shortage of MaineCare providers.

We are also concerned that a managed care organization will implement burdensome and unnecessary prior authorization requirements like commercial carriers now use, which will increase the providers cost to provide services without improving quality or decreasing MaineCare costs. This has been the case in other states that have implemented a managed Medicaid program – especially where the state has not maintained sufficient regulatory oversight.

In summary, despite the need for MaineCare reform, we are concerned that a conversion to managed care will be *more* detrimental to MaineCare beneficiaries and providers. If the state moves forward with this bill, we urge you to add a requirement for the state to convene a

advisory group of provider stakeholders who will provide input to the managed care organization's policies, procedures and fee schedules. MEAPTA believes it will have valuable input to provide and we would appreciate the opportunity to participate in any efforts to improve the MaineCare system.

Thank you for your consideration.

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