

Cat Kenney
Old Town
LD 1785

Attn: Please vote Ought to Pass on LD 1785, An Act to Encourage Competition by Requiring Independent Health Care Provider Cost-of-living Adjustments in Health Insurance Contracts

Good afternoon Senator Bailey, Representative Mathieson and Honorable Members of the HCIFS Committee, My name is Cat Kenney, a resident of Old Town and I practice in both Bangor and Ellsworth. I urge the committee to Vote Ought to Pass on LD 1785.

I am the owner of a small private practice that has been in practice for nearly ten years. We provide one-on-one care to the community members and we have a large focus on our active service members and veterans. We are increasingly struggling to cover business expenses with the increased cost of leases, utilities, wages and costs of good and consumables required to keep the business running, in conjunction with a static level of reimbursement.

It is imperative for the survival of private practices to stay in business that LD 1785 pass. Our fee schedules have not increased in over 20 years, and with the increased cost of business, we are having to adapt to include other services into our practice in order to remain open. For my business, we had to expand our massage services, added a gym, and we're offering strength and conditioning services to complement our physical therapy services. Should this bill not pass, I would fear we would have to fully immerse ourselves into the fitness and wellness market and close our physical therapy offerings.

Since our practice is small and we produce fewer claims than some of the larger nationwide chains, and therefore, our negotiating power is handicapped. We are left with no negotiating power and insurers can force predatory prices on us forcing us to either agree to the unreasonable reimbursement or go out of network.

There are more cash-based private practices now than ever, as younger practitioners entering the workforce understand that contracting with insurance companies results in an unsustainable business practice. The lack of private practices contracting with these payors will result in more beneficiaries seeking care at hospital based clinics that are often 3-4 times more expensive. Thus driving up healthcare costs for all, and proving that insurers are capable of increasing their reimbursement rates.

I urge you to vote "Ought to Pass on LD1785" Thank you for the opportunity to share my concerns for the future of healthcare and my business.

Sincerely, Cat Kenney, PT, DPT
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