



Testimony of Gerard Queally, President and CEO of Spectrum Generations, the Central Maine Area Agency on Aging, and a Managing Partner of Healthy Living for ME® (HL4ME®)

To Joint Standing Committee on Health and Human Services 132nd Maine Legislature, First Regular Session

In Favor of LD 1878 –An Act to Establish a Managed Care Program for Mainecare Services

Submitted May 12, 2025

Honorable Senate Chair Henty Ingwersen and Honorable House Chair Michelle Meyer and all other Honorable Members of the Joint Standing Committee on Health and Human Services Committee,

I am Gerard Queally, President and CEO of Spectrum Generations, the Central Maine Area Agency on Aging and a Managing Partner of Healthy Living for ME® (HL4ME®), Maine's emerging Community Care Hub.

I am writing to express my strong support for LD 1878, An Act to Establish a Managed Care Program for Mainecare Services. Managed care has been proven to improve access to care, control costs, and promote better health outcomes for Medicaid beneficiaries. Unfortunately, Maine has fallen behind other states in utilizing this model in the management of its state Medicaid program.

Currently, 38 states have implemented managed care programs for their Medicaid beneficiaries. These states have reported significant improvements in health outcomes, increased access to care, and cost savings. For example, in Ohio, managed care programs have resulted in a 28% reduction in hospital admissions and a 32% reduction in emergency room visits.

However, implementing a managed care program is not without its challenges. Some states have had trouble ensuring that managed care organizations provide adequate access to care and comply with state regulations. Additionally, some stakeholders have expressed concerns about the potential for managed care organizations to prioritize cost savings over patient care.

To address these challenges, states have implemented various strategies, such as conducting regular oversight and performance monitoring of managed care organizations, developing strong provider networks, and ensuring that Medicaid beneficiaries have access to robust appeal processes.

Moreover, managed care programs are better situated to interact with emerging and innovative models of community-based care than our current Mainecare bureaucracy. One such emerging model is Community Care Hubs, a Centers for Medicare and Medicaid Services (CMS) and Administration on Community Living promoted concept to address social determinants (or drivers) of health (SDoH) and their adverse effect on patients. A Community Care Hub (CCH) is a community-centered entity that organizes and supports a network of community-based organizations (CBOs) providing services to

address health-related social needs. A CCH centralizes administrative functions and operational infrastructure, including but not limited to, contracting with health care organizations, payment operations, management of referrals, service delivery fidelity and compliance, technology, information security, data collection, and reporting. which are community-based organizations that provide care coordination and support services to patients.

Our current Mainecare bureaucracy, while well intentioned, has difficulty in staying abreast with, accepting, and quickly and efficiently implementing new, innovative and promising models of care, especially when successfully addressing the SDoH of Mainecare subscribers. By partnering with managed care programs, CCHs, such as HL4ME, can help ensure that Medicaid beneficiaries have access to the services they need to stay healthy and manage chronic conditions in the community in which they choose to live.

Two years ago, CMS issued State Medicaid Director (SMD) Letter #23-001 encouraging states to undertake innovative measures to better address SDoH. They are requesting states utilize in lieu of service setting (ILOS) to strengthen access to care by expanding settings options and addressing certain Medicaid enrollees. The goal would be to provide and pay for emerging types of interventions, such as social care coordination interventions and evidence-based health promotion classes that result in decreases of utilization of a covered service; ultimately reducing costs within 5 years. A managed care organization would be able to start planning and implementing this new service immediately and would achieve cost savings more quickly. Mainecare is not well suited for such immediate action; it is my estimation it would take years, if at all, for ILOS to be utilized in our state.

Maine has the mechanisms ready to improve care and reduce costs in the community. Mainecare needs to be open to new ideas that have been proven effective in other parts of the country.

Overall, I strongly believe that LD 1878 will be a valuable investment for the state of Maine. By implementing a managed care program for Mainecare services and partnering with Community Care Hubs, we can improve access to care, promote better health outcomes, and control costs for taxpayers. I urge you to support this important legislation.

Thank you for your time and consideration.