



Alliance for Addiction and Mental Health Services, Maine *The unified voice for Maine's community behavioral health providers*

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Testimony in Opposition to

An Act to Update and Improve the MaineCare Reimbursement System – LD 2177

February 11, 2026

Good morning, Senator Ingwersen, Representative Meyer, and honorable members of the Committee on Health and Human Services. My name is Adam Bloom-Paicopolos. I am a resident of Wells and am proud to serve as the Executive Director of the Alliance for Addiction and Mental Health Services, Maine (the Alliance). The Alliance is the statewide association representing 34 of Maine's community-based behavioral health agencies who provide mental health and substance use services to over 120,000 children, adults, and families annually. The Alliance advocates for the implementation of sound policies and evidence-based practices that serve to enhance the quality and effectiveness of our behavioral health care system.

On behalf of the Alliance, I am here today to speak in opposition to LD 2177, "An Act to Update and Improve the MaineCare Reimbursement System."

In 2022, Maine adopted a first-of-its kind Medicaid reimbursement and rate setting system known as rate reform. Since then, our rate reform statute has become an award winning and nationally recognized framework that establishes predictability and stability to Medicaid providers and ensures continued access to care for Medicaid beneficiaries. As community behavioral health providers who are overwhelming reliant on Medicaid as the primary payor of mental health and substance use disorder services, we appreciate and agree with the Department's goal of protecting MaineCare and rate reform.

That said, we cannot support components of this legislation that would threaten years of progress, create additional unpredictability, and rollback Maine's commitment to cost-of-living adjustments (COLAs) and to the direct care workers and providers who rely on them to keep up with rising costs. Particularly at a time when Maine is experiencing significant cuts to our healthcare system from HR.1, Maine's healthcare workforce and continuum of care cannot stand to bear additional instability.

Specifically, we are concerned with Sections 3 and 4 of this bill that make annual COLAs and scheduled reimbursement adjustments subject to availability of appropriations, rather than required of the Department per current statute. Predictable COLAs and a reliable 5-year redetermination schedule have been a lifeline for behavioral health providers to sustainably plan for the future, keep up with rising wages and operational costs, and keep programs open. Through COLAs, providers have been able to give much-needed raises to direct care staff on the frontlines of this critical work in recent years.

Last year, however, this process was fractured when COLAs were not included in the proposed biennial budget, requiring the Legislature to step in to support direct care workers and protect the vital services that our communities rely on by restoring a partial COLA for FY25. These recent developments have already reintroduced significant unpredictability to the provider community. We cannot afford to continue

taking steps back that inject instability to an increasingly fragile healthcare system at a time when it most needs consistency and support in the face of federal cuts. Maine must remain committed to its promise of predictable rate setting and COLAs that direct care workers can count on to stay in the field and providers can rely on to ensure that lifesaving services remain open and accessible.

For these reasons, we respectfully urge the committee to vote “Ought Not to Pass” on LD 2177, or to consider amending this bill to allow for some of the Department’s technical adjustments to move forward without the aforementioned ‘availability of appropriations’ language for COLAs and scheduled rate adjustments as detailed in the concerns this Committee has heard today.

Thank you for the opportunity to provide testimony this morning. I would be happy to answer any questions from the Committee.

Respectfully,

A handwritten signature in black ink, appearing to read "Adam Bloom-Paicopolos". The signature is fluid and cursive, with a large initial "A" and "B".

Adam Bloom-Paicopolos, MPP
Executive Director