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South Portland
LD 2196

March 3rd, 2026

Testimony of the American Nurses Association – Maine
In Opposition to LD 2196

Senator Henry Ingwersen, Senate Chair

Representative Michele Meyer, House Chair

Joint Standing Committee on Health and Human Services

100 State House Station

Augusta, Maine 04333

Dear Senator Ingwersen, Representative Meyer, and distinguished members of the Joint Standing Committee on Health and Human Services:

My name is Jill Vaughn, I am a nurse practitioner and the President of the American Nurses Association of Maine (ANA-Maine). On behalf of ANA-Maine, we respectfully submit this testimony in opposition to LD 2196.

Nurses across Maine recognize that healthcare affordability is a serious concern for patients and families. Every day we care for and hear stories firsthand about individuals who must delay appointments, struggle finding transportation to seek healthcare, and face difficult decisions about whether they should ration their prescriptions or food for the month- these are the hardships that our patient face. So, we understand that thoughtful reform is necessary. However, LD 2196 proposes sweeping reimbursement caps that risk destabilizing Maine's healthcare infrastructure at a time when hospitals, healthcare professionals, and patients are already experiencing the financial and workforce strain within the ecosystem, and this bill would exacerbate these issues, among others.

Healthcare reimbursement has not kept pace with the rising cost of delivering care. Over the past two decades, Medicare provider reimbursement has declined by nearly 30% when adjusted for inflation. More recently, between 2022 and 2024, general inflation increased by more than 14%, while Medicare inpatient payment rates increased by only about 5%, representing a serious reduction in reimbursement. Today, Medicare reimburses hospitals roughly 83 cents for every dollar spent delivering care.

Why is this an issue- because more than 60% of hospital care in Maine is reimbursed through Medicare and Medicaid with fixed payment rates, therefore, hospitals in Maine already operate under significant financial constraints. Maine is the oldest state by median age, and in a rural state like ours, where hospitals are serving aging populations with a high reliance on public insurance programs, this reimbursement gap places essential healthcare infrastructure at further risk. Policies that restrict reimbursement growth will accelerate financial instability for hospitals and reduce access to care across our state, and impact us all.

Nurses are the largest segment of the healthcare workforce and the professionals who spend the most amount of time with patients- and therefore hold knowledge and insights that must be heard. When hospitals face financial strain, the consequences often include reductions in nurse staffing, delayed hiring, and the closure of essential health services. Policies that further destabilize hospital finances risk worsening workforce shortages, increasing burnout among nurses, and most concerning, it limits the availability of nursing care for Maine patients. When hospitals lose resources or services, it is nurses, emergency departments, maternity units, and critical care beds that disappear from communities- we cannot afford this.

ANA-Maine strongly supports efforts to improve healthcare affordability for Maine people. However, solutions must address the entire healthcare ecosystem and be developed collaboratively with patients, providers, insurers, and policymakers to avoid unintended consequences that could compromise access to care.

For these reasons, the American Nurses Association of Maine respectfully urges the Committee to vote Ought Not to Pass on LD 2196.

Thank you for your time and consideration.

Respectfully submitted,
Jill Vaughn, PhD-c, ACNP-BC
President
American Nurses Association of Maine