



Testimony of Katie Fullam Harris

MaineHealth

In Support of Investments and Speaking to Gaps in the Governor's Proposed Biennial Budget

February 13, 2025

Senator Rotundo, Representative Gattine, Senator Ingwersen, Representative Meyer and distinguished members of the Joint Standing Committees on Appropriations and Financial Services and Health and Human Services, I am Katie Fullam Harris, Chief Government Affairs Officer at MaineHealth, and am here to explain the implications to the delivery of health care in Maine that will result from several of the proposed changes to health care services that are included in the proposed budget.

MaineHealth is a not-for-profit, integrated health system whose vision is "Working together so our communities are the healthiest in America." We are further committed to a mission of providing high-quality affordable health care, educating tomorrow's caregivers and researching better ways to provide care. MaineHealth includes a Level 1 trauma medical center, eight additional licensed acute care hospitals, comprehensive pediatric care services, an extensive network of community outpatient and inpatient behavioral health care, as well as home health, hospice and senior care services. With more than 2,000 employed providers and approximately 24,000 care team members, MaineHealth provides preventive care, diagnosis and treatment to 1.1 million residents of Maine and New Hampshire.

Program Investments

As part of its mission and vision, MaineHealth has built a high-quality system of behavioral health services to meet the needs of our communities. During the last decade, we have experienced a serious problem in which we are experiencing a population of adolescents whose behavioral needs exceed the expertise of Maine's crisis and residential systems. Maine has long needed more secure treatment capacity to best serve this population, many of whom otherwise end up spending weeks and even months in hospitals and Emergency Departments as they await access to these specialized facilities out of state.

Thus, we are pleased to see that this budget proposal includes support for Psychiatric Residential Treatment Facility capacity in Maine.

We are further supportive of the proposed increase for mobile crisis services, another critical element of the behavioral health service continuum access to which has suffered significantly due to lack of adequate funding.

Areas of Concern

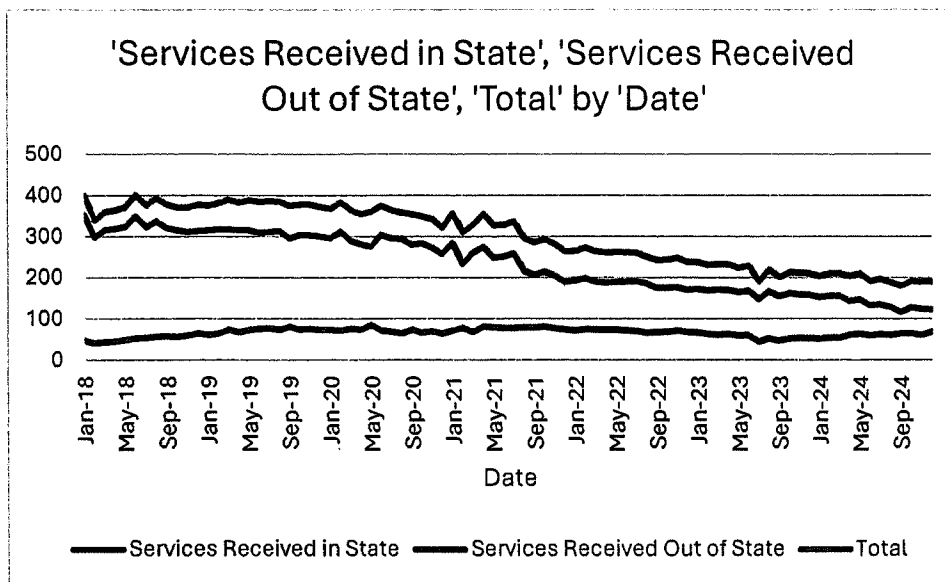
Access to behavioral health services across Maine continues to be a significant challenge. These challenges stem from lack of workforce – and particularly at provider agencies that primarily serve patients who are on MaineCare or uninsured – as the workforce challenges are directly related to lack of adequate reimbursement. Every day, Maine Health Behavioral Health loses clinicians to the private sector due to an inability to support current market rates. In a recent 90-day period, MaineHealth Behavioral Health had to turn down 640 referrals, primarily for medication management/psychiatry and therapy, due to lack of available capacity. That represented 24% of patients referred. And MaineHealth Behavioral Health is one of only a very few providers of Medication Management to MaineCare patients in the state.

As I have testified numerous times before, Maine's children's behavioral health system is particularly broken. In a twelve-month period ending in October, 2024, 243 children spent more than 48 hours languishing in a MaineHealth Emergency Departments awaiting discharge to an appropriate level of care. Last week, we finally discharged a child who lived in an ED and inpatient unit since July 2. We have another who has lived at Spring Harbor Hospital since May. And we have children who are stuck in hospital Emergency Departments as well. At the end of last week, we had one child who had spent 28 days and another 24 days in a MaineHealth ED.

At the same time, we watch the residential treatment system continue to implode, with additional closures expected in the coming months. Since 2007, 70 programs and 451 licensed residential beds have closed. We will have just 181 licensed beds remaining in Maine after the two programs

Today, we have 70 children living in out of state treatment facilities and 120 children on waitlists for residential treatment.

And this decline is not a function of an improved system of community supports, but rather lack of access to appropriate levels of care. The situation is tragic.



On December 20, 2024, the State signed a Settlement Agreement with the Department of Justice in which the State agreed to a comply with a series of commitments to improve access and quality of the children’s behavioral health system in Maine. The agreement relies upon the development of a service system that relies upon community providers. Very importantly, Section VII of the agreement specifically calls for two provisions, both of which are already out of compliance:

VII. FUNDING

- A. The State will establish MaineCare provider reimbursement rates, pursuant to 22 M.R.S. § 3173-J, that reimburse Community Providers for the costs of providing Community-Based Services to enable Children to return to or remain in a Family Home long-term.
- B. The State will provide annual cost-of-living adjustments for Community-Based Services and conduct rate determinations at least every five years for Assertive Community Treatment (“ACT”) and HCT services, consistent with 22 M.R.S. § 3173-J.

Within a week of signing this agreement, the State sent providers a notice stating that cost of living adjustments would not be implemented.

You heard a great deal about the impact of this decision at the hearing on the Supplemental Budget. A 2.5% COLA to community services represents \$650,000 to MaineHealth Behavioral Health, which lost over \$16 million in FY ’24.

While MaineHealth continues to support behavioral health services as part of its mission and vision, the State’s failure to support the cost of care for patients on

MaineCare prevents the investments needed to expand capacity to meet community need.

On behalf of MaineHealth Behavioral Health and the thousands of patients we serve, I strongly urge you to ensure that the State complies with the terms of the Settlement Agreement, including those provisions that require adequate pay for providers, including annual COLAs.