



# HOUSE OF REPRESENTATIVES

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Distinguished members of the Health and Human services committee I'm representative Gary Drinkwater from district 27 representing the towns of Alton, Argyle, Bradford, Corinth Hudson, and my hometown of Milford. I am here today presenting LD 331 directing the Department of Health and Human Services to ensure timely reimbursement under Maine care regarding hospital cost reports.

Every year prior to the start of the legislative session hospital leaders in my region host a briefing for legislators to update us on hospital services and challenges. During our discussion in December, I asked about the timeliness of Maine care payments for hospitals and all healthcare providers should be paid timely for the services they provide. I learned that hospitals must wait for a year or more for

Maine care to pay cost settlement payments. Hospitals incur the costs to provide care to patients' real time and at some point, file a cost report with Maine care. I learned that hospitals must wait for a year or more for Maine care to pay cost settlement payments. Hospitals incur the cost to provide care to patients' real time, and at some point, file a cost report with Maine care. This report can document that Maine care funds are due to the hospital for the services provided by the hospitals then wait a very long time to receive the settlement payments due to them. Hospitals should be paid timely by the Maine care program for services they provide, including funds due to them based on a cost report.

Medical providers only receive pennies on a dollar but now they must wait months and years before they can get paid. The legislator has addressed this exact situation for nursing homes. This bill directs the Department of Health and Human Services to apply the same payment timeliness standard to hospital cost reports. The department must pay a hospital 75% of the as filed settlement of payments due to them within 90 days of receiving the cost report. You'll hear from representatives of hospitals more specific information about this challenge and how this bill will help. My goal is that hospitals are paid timely by the Maine Care program for the services they provide.

I'd like to share with you my own personal experience with getting an appointment for a hearing test and a follow up appointment, in January of 2024 I tried to get an appointment for my hearing loss and was told that after the hearing test a doctor's office would call me with an appointment. They explained to me that in the Bangor area there's a real shortage of hearing specialists. Finally on August 24 I called mass eye and ear in Boston and got an appointment for December. Recently I called my eye doctor who I have used for over 20 years to get an appointment for an eye test and was told that the earliest I could get in was October the 29th. These delays lead me to believe that doctors are leaving our area, can I prove that it's because of lack of payments, no, but I do believe that a lack of prompt payments is causing a problem.

At the beginning of 2013, we had 483 million Medicaid hospital debt. In June of 2013 we paid off the hospital debt that had accumulated for years. My concern is that we are starting down that slippery slope again where the state is not paying, and the hospitals cut services like we are witnessing.

Thank you for listening, I'd be happy to answer any questions, but the professionals behind me can give you more information.