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Northern Light Health  
Acadia Hospital  
A.R. Gould Hospital  
Blue Hill Hospital  
C.A. Dean Hospital  
Eastern Maine Medical Center  
Home Care & Hospice  
Inland Hospital  
Maine Coast Hospital  
Mayo Hospital  
Mercy Hospital  
Northern Light Health Foundation  
Northern Light Pharmacy  
Sebastcook Valley Hospital

**LD 955 An Act to Ensure Human Oversight in Medical Insurance Payment Decisions**  
**LD 1301 An Act to Prohibit the Use of Artificial Intelligence in the Denial of Health**  
**Insurance Claims**  
**Testimony in Support**

**April 8, 2025**

Senator Bailey, Representative Mathieson and members of the Health Coverage, Insurance and Financial Services Committee, my name is Lisa Harvey-McPherson RN. I am speaking today on behalf of Northern Light Health and our member organizations in support of this bill. Northern Light Health member organizations include 10 hospitals located in southern, central, eastern and northern Maine, 8 nursing facilities, air and ground ambulance, behavioral health, addiction treatment, pharmacy, primary and specialty care practices and a state-wide home care and hospice program. Ninety three percent of Maine's population lives in the Northern Light Health service area. Northern Light Health is also proud to be one of Maine's largest employers with more than 10,000 employees statewide.

In September of 2024 the American Hospital Association published a briefing document titled - Skyrocketing Hospital Administrative Costs, Burdensome Commercial Insurer Policies are Impacting Patient Care. The report documents that between 2022 and 2023 care denials increased an average of 20.2% for commercial payers and 55.7% for Medicare Advantage plans. One factor driving growth in denials is the increased use of machine learning algorithms and other artificial intelligence tools. Poor applications of these technologies can result in automatic denials of care without consideration of a patient's individual clinical circumstances or review from a clinician or plan medical director.

Even when denials are successfully overturned, commercial insurers impose other roadblocks to timely payment of claims. The prior authorization requirements, claim audits, denials and level of care downgrades represents an unprecedented administrative burden for hospitals and healthcare providers. A 2021 study by McKinsey estimated that hospitals spent \$10 billion annually on dealing with insurer prior authorizations. Additionally, a 2023 study by Premier found that hospitals are spending just under \$20 billion annually in appealing denials — more than half which was wasted on claims that should have been paid out at the time of submission.

The bills before you today address what we believe is an unacceptable barrier to care, denials based on artificial intelligence algorithms. The challenge is very real, and I have attached to my testimony what we believe is an AI generated denial for inpatient hospital care. This patient was denied inpatient care for the following diagnosis – heart

stopped. The rationale in the denial states that the patient did not appear to have complex medical factors that would require prolonged workup and treatment in the hospital to support a reasonable expectation that the patient would require medically necessary hospital care that crosses two midnights. The denial is a computer-generated document with no signature nor identifying clinician involved. The artificial intelligence algorithm determined that a patient whose heart had stopped did not qualify for hospital level of care.

The bills before you today would stop this abusive practice, and we ask for your support.

Thank you.

[REDACTED] - 845 Third Ave, 7th floor  
New York, NY 10022  
1-800-322-2758 1500128 TTY 711

**Important:** This notice explains your right to appeal our decision. Read this notice carefully. If you need help, you can call one of the numbers listed on the last page under "Get help & more information."

## Notice of Denial of Medical Coverage

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|  |                                    |
|--|------------------------------------|
| <b>Date:</b> [REDACTED]                            | <b>Member Number:</b> [REDACTED]   |
| <b>Name:</b> [REDACTED]                            | <b>Reference No.:</b> [REDACTED]   |
| <b>Provider Name:</b> Eastern Maine Medical Center | <b>Date of Service:</b> [REDACTED] |

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### Your request was denied

We've denied the medical services/items listed below requested by you or your doctor or provider:

Admission to an inpatient level of care.

### Why did we deny your request?

We denied the medical services/items listed above because:

The request for your inpatient hospital level of care to be covered does not meet the requirements for approval.

[REDACTED] has reviewed this request against its Inpatient Hospital Services Medical Coverage Policy which can be found at [www.hugoboss.com/coveragepolicies](http://www.hugoboss.com/coveragepolicies), which includes the inpatient admission criteria outlined by the Centers for Medicare & Medicaid (CMS).

In order for an inpatient hospital admission to be appropriate for coverage under Medicare Part A, CMS requires that the admitting physician have a reasonable expectation that the patient requires medically necessary hospital care that crosses two midnights, based on complex medical factors supported by the medical record documentation.

The information in the medical record documentation does not support the admitting physician's reasonable expectation, based on complex medical factors, that your hospital stay required two or more midnights and does not show that the admitting physician expects your hospital stay to need two or more midnights.



Eastern Maine Medical Center  
417 State St, Ste 310  
Bangor, ME 04401-6638

Very little clinical information was received about your illness. Your diagnosis is your heart stopped beating. Additional information was requested but not received. In order to approve the services requested, we need more information, such as your doctors' notes, x-rays, lab tests, and hospital progress notes. You can discuss this letter with your provider.

Due to lack of clinical information, you did not appear to have complex medical factors that would require prolonged workup and treatment in the hospital to support a reasonable expectation that you would require medically necessary hospital care that crosses two midnights.

This decision is based on:

- Code of Federal Regulations, 42 U.S.C. 1395y - Medicare Secondary Payer Law
- Code of Federal Regulations, 42 C.F.R. 412.3 - Admissions
- Medicare Benefit Policy Manual, Chapter 1 - Inpatient Hospital Services Covered Under Part A, Section 10 - Covered Inpatient Hospital Services Covered Under Part A
- Humana Medical Coverage Policies - Inpatient Hospital Services - Medicare Advantage (Policy number 1000) Effective Date: January 1, 2024, at [www.humana.com/coveragepolicies](http://www.humana.com/coveragepolicies)
- MCG care guidelines, 27th Edition-- Cardiology GRG: MG-C (ISC GRG) to interpret the medical necessity of inpatient hospital services (Follow the MCG Guidelines link in the above Humana policy to access MCG guidelines)

Since the service your doctor asked for is not medically necessary under your ~~Humana~~ plan, the providers in your plan's network, such as doctors and hospitals, understand that they can't ask you to pay for those services and they can't take any action against you.

You will only have to pay any coinsurance, copayment or deductible due. You will also have to pay for services or items normally not covered by your ~~Humana~~ plan.

You should share a copy of this decision with your doctor so you and your doctor can discuss next steps. If your doctor requested coverage on your behalf, we have sent a copy of this decision to your doctor.

## **You have the right to appeal our decision**

You have the right to ask ~~Humana~~ to review our decision by asking us for an appeal.

**Plan Appeal:** Ask ~~Humana~~ for an appeal within **60 days** of the date of this notice. We can give you more time if you have a good reason for missing the deadline. See section titled "How to ask for an appeal with ~~Humana~~." for information on how to ask for a plan level appeal.

## **If you want someone else to act for you**

You can name a relative, friend, attorney, doctor, or someone else to act as your representative. If you want someone else to act for you, call us at: **800-457-4708** to learn how to name your representative. TTY users call 711. Both you and the person you want to act for you must sign and date a statement confirming this is what you want. You'll need to mail or fax this statement to us. Keep a copy for your records.

## Important Information About Your Appeal Rights

### *There are 2 kinds of appeals with [REDACTED]*

**Standard Appeal** – We'll give you a written decision on a standard appeal within **30 days** after we get your appeal. Our decision might take longer if you ask for an extension, or if we need more information about your case. We'll tell you if we're taking extra time and will explain why more time is needed. If your appeal is for payment of a medical service/item you've already received, we'll give you a written decision within **60 days**.

**Fast Appeal** – We'll give you a decision on a fast appeal within **72 hours** after we get your appeal. You can ask for a fast appeal if you or your doctor believe your health could be seriously harmed by waiting up to **30 days** for a decision. You cannot request an expedited appeal if you are asking us to pay you back for a medical service/item you've already received.

**We'll automatically give you a fast appeal if a doctor asks for one for you or if your doctor supports your request.** If you ask for a fast appeal without support from a doctor, we'll decide if your request requires a fast appeal. If we don't give you a fast appeal, we'll give you a decision within **30 days**.

### **How to ask for an appeal with [REDACTED]**

**Step 1:** You, your representative, or your doctor or provider must ask us for an appeal. Your request must include:

- Your name
- Address
- Member number
- Reasons for appealing
- Whether you want a Standard or Fast Appeal (for a Fast Appeal, explain why you need one).
- Any evidence you want us to review, such as medical records, doctors' letters (such as a doctor's supporting statement if you request a fast appeal), or other information that explains why you need the medical service/item. Call your doctor if you need this information.

If you're asking for an appeal and missed the deadline, you may ask for an extension and should include your reason for being late.

We recommend keeping a copy of everything you send us for your records. You can ask to see the medical records and other documents we used to make our decision before or during the appeal. At no cost to you, you can also ask for a copy of the guidelines we used to make our decision.

**Step 2:** Mail, fax, or deliver your appeal. You can also call us.

**For a Standard Appeal:** Mailing Address:  
[REDACTED] Grievances and Appeals Department  
P.O. Box 14165

Lexington, KY 40512-4165  
Phone: 800-457-4708 (TTY: 711)  
Fax: 800-949-2961  
Website: [\[redacted\].com/denial](#)

To appeal online: Please visit [\[redacted\].com/denial](#) and follow the steps outlined to submit your appeal through our secure form. To follow the appeal status please visit [\[redacted\].com/appealstatus](#).

If you ask for a standard appeal by phone, we will send you a letter confirming what you told us.

#### **For a Fast Appeal:**

Phone: 800-867-6601 TTY: 711 Fax: 800-949-2961  
Website: [\[redacted\].com/denial](#)

To appeal online: Please visit [\[redacted\].com/denial](#) and follow the steps outlined to submit your appeal through our secure form. To follow the appeal status please visit [\[redacted\].com/appealstatus](#).

### **What happens next?**

If you ask for an appeal and we continue to deny your request for a medical service/item, we'll automatically send your case to an independent reviewer. **If the independent reviewer denies your request, the written decision will explain if you have additional appeal rights.**

### **Get help & more information**

- If you have questions, please call us at [\[redacted\]](#) a Toll Free: 800-457-4708 TTY users call: 711 You can call us seven days a week, from 8 a.m. - 8 p.m. However, please note that our automated phone system may answer your call during weekends and holidays from April 1 to September 30. For 24-hour service you can visit us at [\[redacted\].com](#).
- 1-800-MEDICARE (1-800-633-4227), 24 hours, 7 days a week. TTY users call: 1-877-486-2048
- Medicare Rights Center: 1-888-HMO-9050
- Elder Care Locator: 1-800-677-1116 or [www.eldercare.acl.gov](http://www.eldercare.acl.gov) to find help in your community.

**PRA Disclosure Statement** According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this collection is 0938-0829. The time required to complete this information collection is estimated to average 10 minutes per response, including the time to review instructions, search existing data resources, and gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Baltimore, Maryland 21244-1850.

You have the right to get Medicare information in an accessible format, like large print, Braille, or audio.

You also have the right to file a complaint if you feel you've been discriminated against. Visit [Medicare.gov/about-us/accessibility-nondiscrimination-notice](http://Medicare.gov/about-us/accessibility-nondiscrimination-notice), or call 1-800-MEDICARE (1-800-633-4227) for more information. TTY users can call 1-877-486-2048.

## Important

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At **Humana**, it is important you are treated fairly.

**Humana** and its subsidiaries do not discriminate or exclude people because of their race, color, national origin, age, disability, sex, sexual orientation, gender, gender identity, ancestry, ethnicity, marital status, religion, or language. Discrimination is against the law. Humana and its subsidiaries comply with applicable federal civil rights laws. If you believe that you have been discriminated against by Humana or its subsidiaries, there are ways to get help.

- You may file a complaint, also known as a grievance:  
Discrimination Grievances, P.O. Box 14618, Lexington, KY 40512-4618  
If you need help filing a grievance, call **1-877-320-1235** or if you use a TTY, call **711**.
- You can also file a civil rights complaint with the **U.S. Department of Health and Human Services, Office for Civil Rights** electronically through their Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or at **U.S. Department of Health and Human Services**, 200 Independence Avenue, SW, Room 509F, HHH Building, Washington, DC 20201, **1-800-368-1019, 800-537-7697 (TDD)**. Complaint forms are available at <https://www.hhs.gov/ocr/office/file/index.html>.
- **California residents:** You may also call the California Department of Insurance toll-free hotline number: **1-800-927-HELP (4357)**, to file a grievance.

**Auxiliary aids and services, free of charge, are available to you. 1-877-320-1235 (TTY: 711)**

Humana provides free auxiliary aids and services, such as qualified sign language interpreters, video remote interpretation, and written information in other formats to people with disabilities when such auxiliary aids and services are necessary to ensure an equal opportunity to participate.



**Multi-Language Insert**  
**Multi-language Interpreter Services**

**English:** We have free interpreter services to answer any questions you may have about our health or drug plan. To get an interpreter, just call us at 1-877-320-1235 (TTY: 711). Someone who speaks English can help you. This is a free service.

**Spanish:** Tenemos servicios de intérprete sin costo alguno para responder cualquier pregunta que pueda tener sobre nuestro plan de salud o medicamentos. Para hablar con un intérprete, por favor llame al 1-877-320-1235 (TTY: 711). Alguien que hable español le podrá ayudar. Este es un servicio gratuito.

**Chinese Mandarin:** 我们提供免费的翻译服务，帮助您解答关于健康或药物保险的任何疑问。如果您需要此翻译服务，请致电 1-877-320-1235 (听障专线: 711)。我们的中文工作人员很乐意帮助您。这是一项免费服务。

**Chinese Cantonese:** 您對我們的健康或藥物保險可能存有疑問，為此我們提供免費的翻譯服務。如需翻譯服務，請致電 1-877-320-1235 (聽障專線: 711)。我們講中文的人員將樂意為您提供幫助。這是一項免費服務。

**Tagalog:** Mayroon kami librang serbisyo sa pagsasaling-wika upang masagot ang anumang mga katanungan ninyo hinggil sa aming planong pangkalusugan o panggamot. Upang makakuha ng tagasaling-wika, tawagan lamang kami sa 1-877-320-1235 (TTY: 711). Maaari kayong tulungan ng isang nakakapagsalita ng Tagalog. Ito ay librang serbisyo.

**French:** Nous proposons des services gratuits d'interprétation pour répondre à toutes vos questions relatives à notre régime de santé ou d'assurance-médicaments. Pour accéder au service d'interprétation, il vous suffit de nous appeler au 1-877-320-1235 (TTY: 711). Un interlocuteur parlant Français pourra vous aider. Ce service est gratuit.

**Vietnamese:** Chúng tôi có dịch vụ thông dịch miễn phí để trả lời các câu hỏi về chương sức khỏe và chương trình thuốc men. Nếu quý vị cần thông dịch viên xin gọi 1-877-320-1235 (TTY: 711) sẽ có nhân viên nói tiếng Việt giúp đỡ quý vị. Đây là dịch vụ miễn phí.

**German:** Unser kostenloser Dolmetscherservice beantwortet Ihren Fragen zu unserem Gesundheits- und Arzneimittelplan. Unsere Dolmetscher erreichen Sie unter 1-877-320-1235 (TTY: 711). Man wird Ihnen dort auf Deutsch weiterhelfen. Dieser Service ist kostenlos.

**Korean:** 당사는 의료 보험 또는 약품 보험에 관한 질문에 대해 드리고자 무료 통역 서비스를 제공하고 있습니다. 통역 서비스를 이용하려면 전화 1-877-320-1235 (TTY: 711) 번으로 문의해 주십시오. 한국어를 하는 담당자가 도와드릴 것입니다. 이 서비스는 무료로 운영됩니다.

**Russian:** Если у вас возникнут вопросы относительно страхового или медикаментного плана, вы можете воспользоваться нашими бесплатными услугами переводчиков. Чтобы воспользоваться услугами переводчика, позвоните нам по телефону 1-877-320-1235 (TTY: 711). Вам окажет помощь сотрудник, который говорит по-русски. Данная услуга бесплатная.

**Arabic:** إننا نقدم خدمات المترجم الفوري المجانية للإجابة عن أي أسئلة تتعلق بخططنا الصحية أو خطة الأدوية الموصوفة لدينا. للحصول على مترجم فوري، ليس عليك سوى الاتصال بنا على (TTY: 711) 1-877-320-1235. سيفيؤم شخص ما يتحدث العربية بمساعدتك. هذه خدمة مجانية.

**Hindi:** हमारे स्वास्थ्य या दवा की योजना के बारे में आपके किसी भी प्रश्न का जवाब देने के लिए हमारे पास दुभाषिया सेवाएँ उपलब्ध हैं। एक दुभाषिया प्राप्त करने के लिए, बस हमें 1-877-320-1235 (TTY: 711) पर फोन करें। कोई व्यक्ति जो हिन्दी बोलता है आपकी मदद कर सकता है। यह एक मुक्त सेवा है।

**Italian:** È disponibile un servizio di interpretariato gratuito per rispondere a eventuali domande sul nostro piano sanitario e farmaceutico. Per un interprete, contattare il numero 1-877-320-1235 (TTY: 711). Un nostro incaricato che parla Italianovi fornirà l'assistenza necessaria. È un servizio gratuito.

**Portuguese:** Dispomos de serviços de interpretação gratuitos para responder a qualquer questão que tenha acerca do nosso plano de saúde ou de medicação.

**Para obter um intérprete, contacte-nos através do número 1-877-320-1235 (TTY: 711). Irá encontrar alguém que fale o idioma Português para o ajudar. Este serviço é gratuito.**

**French Creole:** Nou genyen sèvis entèprèt gratis pou reponn tout kesyon ou ta genyen konsènan plan medikal oswa dwòg nou an. Pou jwenn yon entèprèt, jis rele nou nan 1-877-320-1235 (TTY: 711). Yon moun ki pale Kreyòl kapab ede w. Sa a se yon sèvis ki gratis.

**Polish:** Umożliwiamy bezpłatne skorzystanie z usług tłumacza ustnego, który pomoże w uzyskaniu odpowiedzi na temat planu zdrowotnego lub dawkowania leków. Aby skorzystać z pomocy tłumacza znającego język polski, należy zadzwonić pod numer 1-877-320-1235 (TTY: 711). Ta usługa jest bezpłatna.

**Japanese:** 当社の健康保険と処方薬プランに関するご質問にお答えするために、無料の通訳サービスをご用意しています。通訳をご用命になるには、1-877-320-1235 (TTY: 711) にお電話ください。日本語を話す者が支援いたします。これは無料のサービスです。