



*~ Officers ~*

**David McCluskey, President**  
Community Care

**Kelly Barton, 1<sup>st</sup> Vice-President**  
MaineHealth Behavioral Health

**Robert Descoteaux, 2<sup>nd</sup> Vice-President**  
MaineGeneral

**Kara Hay, Secretary**  
Penquis CAP Inc.

**Eric Meyer, Past President**  
Spurwink

*~ Alliance Members ~*

Andwell Health Partners  
Aroostook Mental Health Center  
Assistance Plus  
Brighter Heights Maine  
Catholic Charities, Maine  
Clarvida Maine  
Co-occurring Collaborative  
Serving Maine  
Christopher Aaron Center  
Common Ties Mental Health  
Community Concepts, Inc.  
Community Health & Counseling  
Services  
COR Health  
Crisis & Counseling Centers  
Crossroads Maine  
Day One  
Kennebec Behavioral Health  
KidsPeace of Maine  
MaineGeneral Behavioral  
Healthcare  
Milestone Recovery  
NAMI Maine  
NFI North, Inc.  
Northern Light / Acadia  
Portland Recovery Community  
Center  
Progress Center  
Rumford Group Homes  
Sunrise Opportunities  
Sweetser  
Wellspring, Inc.  
Wings for Children & Families  
Woodfords Family Services

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

### **Testimony in Support of** **An Act to Ensure the Financial Stability of Behavioral Health Service** **Providers and Housing Assistance Providers – LD 1443**

April 14, 2025

Good afternoon, 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 Maine's community-based behavioral health agencies who provide much-needed mental health and substance use services to over 80,000 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 strong support of LD 1443, "An Act to Ensure the Financial Stability of Behavioral Health Service Providers and Housing Assistance Providers."**

This legislation is an important step towards ensuring that the Department's contract encumbrment and payment processes are an efficient and reasonable system for community-based providers delivering critical behavioral health and housing assistance services. With operational and administrative expenses already leaving agencies stretched thin, contract encumbrment and payment delays have an outsized impact on service availability and staff retention. While we appreciate the progress made in the last session with LD 2082 and the resulting report presented before this Committee earlier in the year regarding timeliness of payments, many organizations continue to experience challenges that threaten their ability to provide critical services.

Extensive wait times for contract encumbrment and delayed payments are the most common contracting issues we repeatably hear from our members—often for multiple contracts at a time. According to the Department's report, despite some recent progress thanks to some internal system changes, one in five behavioral health or housing assistance providers are still not getting paid within 30-days. Nine percent are not getting paid within 45-days. That number is still significant. Further, the finalization process for contracts is taking "significantly longer" than expected due to a myriad of factors, per the Department. While we can appreciate these factors and the impact they have on their system, community-based providers and the Mainers they serve are the one's feeling the brunt of these challenges.

The impacts of these delays are substantial for providers, particularly those who are primarily reliant on state-contracts to deliver critically needed services to their

communities. Operating budgets are left vulnerable as payment or contract delays mount for months at a time. Many agencies must turn to costly private lines of credit and debt to cover staff salaries and operating costs or face the impossible decision to pause or discontinue services.

This legislation creates two desperately needed measures to ensure that community-based providers can maintain financial and operational stability when they contract with the state, and that access to care does not suffer due to contract and administrative-related delays. It requires the Department to issue payments at previous contract levels to providers in good standing when contract renewals for existing services are bogged down in an administrative delay of more than 30 days so that these providers can sustainably continue to deliver essential services without taking on unnecessary debt. It also requires the Department to pay the administrative expenses and interest on lines of credit accessed by providers in instances of ongoing delayed contract payments.

We appreciate and recognize the steps the Department is making internally to address these concerns as outlined in their report. However, more is needed in the immediate to make our system sustainable right now. Particularly at a time when our providers are facing growing uncertainty and turmoil in funding streams at both the federal and state level, Maine cannot afford to continue placing community-based behavioral health and housing assistance services in jeopardy.

**We respectfully urge the Committee to vote "Ought to Pass" on LD 1443 to bring stability to our contracting system for these critical services.** Thank you for the opportunity to provide testimony this afternoon. I would be happy to answer any questions from the Committee.

Respectfully,

A handwritten signature in black ink, appearing to read 'Adam Bloom-Paicopolos', with a stylized, flowing script.

Adam Bloom-Paicopolos, MPP  
Executive Director