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## LD 1447, "Resolve, Directing the Department of Health and Human Services to Expedite Reimbursement of All Vendors"

## Joint Standing Committee on Health and Human Services April 14, 2025

Senator Ingwersen, Representative Meyer and Distinguished Members of the Joint Standing Committee on Health and Human Services:

I am Trey Stewart; and I represent Senate District 2, which includes several communities in Penobscot and Aroostook Counties. I am here to present LD 1447, "Resolve, Directing the Department of Health and Human Services to Expedite Reimbursement of All Vendors."

Those of you who sat on this panel during the 131<sup>st</sup> Legislature may recall a bill I sponsored, LD 1474, "Resolve, Directing the Department of Health and Human Services to Expedite Reimbursement of Nursing Facilities," which was finally passed and signed by the Governor in 2023. The proposal before you today is quite similar – exact in its intention but more encompassing in that it requires the Department to expedite reimbursement to all vendors.

I would be willing to bet that all of you have heard from constituents and/or facilities that are waiting on Department of Health and Human Services (DHHS) reimbursement payments – foster families, dental practices, hospitals, long-term care facilities and, yes, nursing facilities. Coupled with a workforce shortage, caregiving services who support our most vulnerable friends and neighbors needlessly grapple with juggling finances because their MaineCare reimbursements are not coming in for months and sometimes years amounting to, in some cases, hundreds of thousands – even millions of dollars.

It's really very simple. Pay your bills. This measure would require the Department to reimburse at least 75% of a submitted claim within 90 days of receipt. Three months' time is not unreasonable for payment to be made. Facilities have, in some cases, been stretched to the brink under the financial strain of staying afloat. They have used up their lines of credit, which is a shame they have to resort to this just because the state is not fulfilling their financial obligations.

To be clear, this is not a bailout for MaineCare. This irresponsible bureaucratic nightmare has been going on for years – long before the current gap in MaineCare. During the previous administration the hospitals were paid and made whole and a mechanism was put in place to

keep pace with costs. Unfortunately, over the last several years we have continued to backslide. This is not a cash-on-hand problem. We are as flush as we can hope to be. This is an administrative issue. Simply put, the job is not being done.

I wanted to bring attention and light to this widespread, egregious, longstanding problem and try to provide a remedy for caregivers who need financial stability to continue their operations. There is no extra cost to the state. Just responsibility.

Thank you for your time and thoughtful consideration.