



Testimony of Katie Fullam Harris
MaineHealth
In Opposition to LD 1512
“An Act to Protect Patients from Health Care Discrimination”
April 24, 2025

Senator Bailey, Representative Mathieson and distinguished members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, I am Katie Fullam Harris, and I am here to testify in opposition to LD 1512, “An Act to Protect Patients from Health Care Discrimination and Guarantee Access to the Lowest Available Cost of Care.”

MaineHealth is a hospital system committed to meeting its vision of *Working Together so Our Communities are the Healthiest in America*. Our 24,000 care team members provide excellent care to all in need, regardless of economic circumstance or ability to pay. We provide free care to everyone whose income falls below 200% of the federal poverty level, above the statutory requirement of 150%,

MaineHealth’s ability to invest in our mission and vision in the long term is dependent upon a base of financial stability. In FY ’24, MaineHealth realized an operating margin of less than 1%, far less than the 3% operating margin necessary for long-term financial sustainability.

Further, MaineHealth strongly believes that comprehensive health coverage is an important element in supporting access to quality care at the right place and the right time. By limiting the amount that health care providers can bill, this legislation would have the unintended consequence of incentivizing individuals to remain uninsured, as their out of pocket costs could be lower than if they had a high deductible plan. It is noteworthy that we are seeing a proliferation of high deductible plans that are greatly contributing to the rise in bad debt expense for providers and the lack of affordability of health care for many Maine people.

Another example involves patients who are enrolled with third party payors that are not regulated by Maine’s health insurance statutes. Though not technically insurance, these plans often pay some portion of a patient’s costs using commercially equivalent rates.

Because their members are not technically insured, this bill would provide them with an avenue to pay Medicare rates, which are substantially less than the cost of providing care.

Current law ensures that patients who are uninsured and whose income exceeds our charity care policy are charged no more than the average paid for the same service by to commercial payers. And patients who have insurance are protected by the No Surprises Act, which limits their out of pocket exposure for services provided outside of their carrier's network.

Medicare currently pays just 82 cents of every dollar of cost delivered to MaineHealth's patients, so by increasing the number of patients who fail to pay the cost of care, this bill would exacerbate the already very challenging situation in which hospitals and other health care providers find themselves.

The affordability of health care is a complex and challenging issue. It is also one that warrants broad discussion and careful study. This bill creates a platform that provides additional protections for uninsured patients and those with out of pocket costs. In doing so, it creates unintended consequences that would adversely impact the very safety net providers who provide care to this population.