



Northern Light Health  
Government Relations  
43 Whiting Hill Road  
Brewer, Maine 04412

Office 207.861.3282  
Fax 207.861.3044

**LD 1307 An Act to Suspend the Remittance Obligation for Paid Family and Medical  
Leave Private Plan Users (AMENDED)  
LD 1712 An Act to Amend the Paid Family and Medical Leave Benefits Program to  
Balance Support of Businesses and Employees**

**Testimony in Support  
April 23, 2025**

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

Senator Tipping, Representative Roeder and members of the Labor 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 ("NLH") is a Maine non-profit integrated healthcare system providing care to the people of Maine from Portland to Presque Isle, and from Blue Hill to Greenville. NLH operates ten member hospitals, one home care and hospice organization, eight nursing homes, forty-five primary care practices, six emergency transport services, as well as an integrated physician organization. NLH employs more than 10,000 employees and pays them roughly \$814 million in wages, as that term is defined in the PFML. NLH offers a generous benefits package to its employees.

Northern Light Health worked closely with the Maine Hospital Association to engage in the legislative process and monitored many hours of discussion during the multiyear process to develop and pass legislation creating the paid family and medical leave program. We are deeply disappointed that the final rule implemented by the Department of Labor deviates from legislative intent regarding employer private plans. During the extensive process of developing and defining the paid family and medical leave program the intent was clear, employers offering approved private plans would fund their plans and not be required to pay the employer premiums for the state funded program. Yet, the final rule requires employers with private plans to pay premiums beginning January 1, 2025, with no opportunity to refund the first quarter contribution once the employer substantially equivalent plan is approved. We strongly expressed our opposition to this section of the rule.

NLH's support for its employees will be directly impacted by the final rules. NLH—like other Maine State Chamber of Commerce (MSCC) members—will offer substantially equivalent PFML benefits to its employees via a private plan. NLH and other MSCC members will be able to make these benefits available to employees through insurance plans that have been approved in advance by DOL. Nevertheless, under the Rules, NLH and other MSCC members must remit premiums into the Fund until their applications are processed by DOL. For NLH, this means that it must pay about \$2,035,000 in non-refundable premiums (half remitted by the company and half, as allowed by statute,

remitted by employees) into the Fund, even though (1) its employees will never benefit from the Fund because NLH will offer a private plan, and (2) the governing statute exempts employers like NLH from premium payments, 26 M.R.S. § 850-F(8).

LD 1307 as amended provides that an employer that received approval to substitute a private plan under the law is entitled to reimbursement of all premium contributions made to the fund including interest. Any employer that elected to deduct any portion of its premium contribution from its employees' wages shall refund its employees for their portion of premium contributions, together with any interest earned. The amendment also requires the Department of Labor to issue a decision on a substantially equivalent private plan within 30 days from receipt of the application.

Employers with substantially equivalent plans are held to the standards imposed by the law. LD 1712 is important legislation that it makes necessary changes to the law to support employer implementation. We are also in full support of this legislation.

Thank you for the opportunity to support this important legislation.