

Written Testimony of Eric Van Allen
Vice President, Business Development, CareSource

In Support of LD 1878 – An Act to Establish a Managed Care Program for MaineCare Services

Chairperson, Members of the Committee,

Thank you for the opportunity to submit testimony in support of LD 1878. My name is Eric Van Allen, and I serve as Vice President of Business Development at CareSource, a nonprofit, mission-driven managed care organization. With over 30 years of experience and more than 2 million Medicaid members across 14 states, CareSource has built a reputation for delivering high-quality care while advancing health equity and managing costs responsibly.

The Case for Medicaid Managed Care

LD 1878 presents an important opportunity for Maine to transition its MaineCare program to a managed care delivery model. As outlined in the legislation, the goal is to improve the coordination and quality of care, support better health outcomes, and ensure fiscal accountability.

CareSource supports these aims and brings extensive experience achieving such results in other states. For example, in Georgia, our implementation of value-based care led to a 44% increase in well-child visits and a 16% reduction in emergency room visits—outcomes that reflect improved care coordination and member engagement. These align with LD 1878's priorities to reduce preventable health care utilization and improve outcomes for MaineCare enrollees.

The Value of a Nonprofit Managed Care Model

CareSource's nonprofit status uniquely positions us to reinvest in the communities we serve, rather than distribute earnings to shareholders. This structure supports the bill's emphasis on aligning managed care with public interest and accountability. Our investments directly target social determinants of health such as housing, food security, and early childhood education—key drivers of long-term wellness and cost containment.

In Ohio, CareSource has partnered with Habitat for Humanity of Greater Dayton to fund a mobile critical home repair unit that helps older adults remain safely in their homes. This initiative also trains High School students in the trades as they build a Habitat home—combining safe housing, workforce development, and community revitalization. These types of community-focused investments align directly with LD 1878's intention to integrate care and address the full spectrum of members' needs, advancing health equity.

LD 1878 calls for the Department to ensure that managed care organizations address health disparities and serve the needs of diverse populations. At CareSource, health equity is central to our mission. We tailor culturally competent programs to meet the unique needs of specific populations. In Indiana, CareSource launched the Health Equity Collaborative, partnering with organizations such as the Indiana Minority Health Coalition and the Indianapolis Neighborhood Housing Partnership. This initiative focuses on community engagement, education, and provider cultural humility to dismantle systemic barriers and improve health outcomes for Hoosiers affected by factors like race, ethnicity, language, and socioeconomic status.

As a non-profit Medicaid managed care organization, CareSource believes it is fundamental to partner with Maine providers to solve Maine challenges. We do this in ways no other national Managed Care Organizations does. For example, in Michigan and Mississippi, our Managed Care program was created in collaboration with large hospital systems. In Georgia, we have collaborated with the Georgia Hospital Association to create the Rural Access Advancement Program, a “lifeline” that provides emergency funding to rural Georgia hospitals in danger of closing due to cash flow issues.

CareSource applauds the State of Maine for taking a thoughtful approach to modernizing MaineCare through LD 1878. A managed care model—when implemented with strong oversight, stakeholder engagement, and accountability—can lead to more coordinated, equitable, and cost-effective care. As a nonprofit MCO with proven success in other states, we are ready and eager to support Maine in this transition. To that end, I would be happy to address any questions the Committee may have.

Notes:

Georgia Value Based Care - <https://www.caresource.com/newsroom/press-releases/new-program-provides-emergency-funding-to-help-rural-hospitals-stay-open/>

Ohio SDOH Investment - <https://www.caresource.com/newsroom/press-releases/caresource-announces-new-contribution-to-habitat-for-humanity-in-dayton/>

Indiana Health Equity - https://www.caresource.com/newsroom/articles/caresource-launches-health-equity-collaborative-in-indiana/?utm_source=chatgpt.com

Michigan HCS - <https://www.caresource.com/newsroom/press-releases/health-alliance-plan-and-caresource-to-partner-in-michigan/>

Mississippi TrueCare - <https://www.caresource.com/newsroom/press-releases/caresource-forms-alliance-to-serve-mississippi-medicaid-members/>

Georgia RAAP - <https://www.caresource.com/newsroom/press-releases/new-program-provides-emergency-funding-to-help-rural-hospitals-stay-open/>