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Testimony of the Division of Licensing and Certification
Maine Department of Health and Human Services

Before the Joint Standing Committee on Health and Human Services

Neither for nor against LD 1937, *An Act to Require Hospitals and Hospital-affiliated Providers to Provide Financial Assistance Programs for Medical Care*

Sponsor: Senator Talbot-Ross
Hearing Date: May 12, 2025

Senator Ingwersen, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services, my name is Bill Montejo, and I serve as the Director of the Division of Licensing and Certification (DLC) in the Maine Department of Health and Human Services. I am here today to testify in opposition to LD 1937, *An Act to Require Hospitals and Hospital-affiliated Providers to Provide Financial Assistance Programs for Medical Care*.

The proposed bill seeks to repeal and replace the current statutory provisions governing Free Care (also known as Charity Care), directing the Department to overhaul existing rules with significantly more robust requirements. Key changes include:

- Raising the income eligibility threshold from 150% to 200% of the Federal Poverty Level (FPL).
- Mandating that hospitals provide financial assistance programs with clearly defined standards, including the use of a Department-issued application form, access to language interpretation, clear eligibility and notification procedures, and a right to appeal if an application is denied.
- Requiring hospitals to offer income-based payment plans, capping monthly payments at no more than 3% of a patient's monthly family income for those earning up to 400% of the FPL.

These updates aim to improve access to care and increase transparency around financial assistance options, especially critical for patients with high-deductible health plans.

However, the bill's enforcement provisions (outlined in Section 1) are expected to significantly increase the Department's workload. This includes a likely rise in patient complaints and administrative hearings, which would need to be handled by the Division or the Administrative Hearing Unit. Consequently, successful implementation would require additional staffing and resources within the Department of Health and Human Services.

Thank you for your time and attention. I would be happy to answer any questions you may have and to make myself available for questions at the work session.