

HEALTHCARE  
PURCHASER  
ALLIANCE  
OF MAINE

**Testimony of Trevor Putnoky**  
**to the Joint Standing Committee on Health Coverage, Insurance and Financial Services**  
**In Support of**  
**LD 1937, An Act to Require Hospitals and Hospital-affiliated Providers to Provide Financial Assistance Programs for Medical Care**

**May 12, 2025**

Good afternoon, Senator Ingwersen, Representative Meyer, and Members of the Joint Standing Committee on Health and Human Services.

My name is Trevor Putnoky. I'm the President and CEO of the Healthcare Purchaser Alliance of Maine and I'm here today to testify in support of LD 1937.

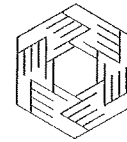
The Healthcare Purchaser Alliance of Maine (HPA) is a nonprofit that represents the purchasers of healthcare in Maine. Our mission is to advance healthcare value and to support and incentivize high-quality, affordable care. We have over 60 members, including some of the largest public and private employers and health trusts in Maine. Collectively, our members spend over a billion dollars annually providing health care for nearly one quarter of the commercially insured population in the state.

With the costs of healthcare continuing to rise, Maine consumers are increasingly struggling to cover the costs of care. Many Mainers—particularly the most financially vulnerable among us—are skipping necessary care because they can't afford it, and when they do get care, they are often left with medical debt that takes years to pay off.<sup>1</sup> A recent survey of Mainers revealed the extent of those struggles, with 38 percent of Mainers reporting that they skipped or delayed going to the doctor when they were sick due to costs. And nearly one-third struggled to pay for basic necessities like food, heat, or housing due to medical bills. Not surprisingly, nearly half (45 percent) of Maine households have medical debt.<sup>2</sup>

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<sup>1</sup> Digital Research Inc., Examining Views Toward Health Care in Maine: Preliminary updated survey results, Consumers for Affordable Health Care, January 2025.

<sup>2</sup> Ibid.



Unfortunately, many Mainers who don't receive essential care due to costs—or who struggle with medical bills—do not realize that they may be entitled to free care. According to the same survey, nearly half of Mainers who have hospital-related medical debt are not aware that hospitals in Maine are required to provide medically-necessary care for free to Mainers who meet certain income guidelines.<sup>3</sup> By widely publicizing the availability of free care to patients, and streamlining the application process for that financial support, LD 1937 would help ensure that eligible Mainers are made aware of, and can utilize, this financial lifeline.

The bill would also require hospitals to offer patients with income below 400 percent of poverty a payment plan with monthly payments not to exceed 3 percent of the patient's gross monthly income (that's not exempt from attachment or garnishment). This will give consumers with medical debt breathing room to pay those medical bills, while still allowing them to continue to afford basic necessities like rent, groceries, childcare, medications, and utilities.

People throughout Maine are struggling with the cost of health care, either foregoing essential medical services or falling into debt in order to get the care that they need. The Maine Legislature long ago decided to require the state's tax-exempt nonprofit hospitals to provide free care to Mainers who meet income guidelines. According to the Maine Health Data Organization, charity care represented just 1.4 percent of Maine hospital's net patient service revenue in 2023.<sup>4</sup> We urge the committee to pass LD 1937, and the common-sense policies and procedures that it would put in place to ensure that patients unable to afford medical care get the financial assistance that they are entitled to under Maine law, and that those ineligible for free care be offered reasonable terms to repay their medical debt.

Thank you for the opportunity to provide HPA's feedback and thank you to Senator Talbot Ross for bringing this important issue before the committee. I'd be happy to answer any questions.

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<sup>3</sup> Ibid.

<sup>4</sup> Maine Health Data Organization, *2019-2023 Financial Data Report (A) Select Hospital Data Elements and Ratios (Unconsolidated)*, October 31, 2024. Available at: [https://mhdo.maine.gov/pdf/Report\\_A\\_FY23\\_Select\\_Financial\\_Hosp\\_241105.pdf](https://mhdo.maine.gov/pdf/Report_A_FY23_Select_Financial_Hosp_241105.pdf).