

Senator Bailey, Representative Mathieson and the Honorable Members of the HCIFS Committee,

My name is Melanie Blaney, I am a resident of Hollis Center and the Practice Administrator at Scarborough Physical Therapy Associates in Scarborough.

I have had the pleasure of working at Scarborough PT for the last 27 years. Over the last 20 years we have felt the repercussions of stagnant or reduced reimbursement rates for the services we provide.

Today, reimbursement for 1 hour of physical therapy is reimbursed an average of 38% less than it was nearly 20 years ago. Carriers have taken different approaches in how they reduce payment for services. Some have painfully slashed reimbursement per procedure code. Others have increased the reimbursement for individual procedure codes and either apply a daily cap reducing per visit payment by 25-43% or apply MPPR and reduce reimbursement by an average of 12% per visit.

These percentages equate to \$8.90 - \$65.76 per visit, with an average per visit reduction of \$33.65 compared to reimbursement contracts that were in place 15-20 years ago. The lost reimbursement is exponentially devastating, especially to a small practice. The expectation that a provider, business or employee can continue to make ends meet and work for less than what they worked for 15-20 years ago is absurd and not sustainable.

I have made multiple attempts over the years to discuss the fee schedules and negotiate more reasonable reimbursements from insurance companies. All but one insurance company has ignored my outreach.

The one carrier who has acknowledged my endeavor has repeatedly denied the request and stated the current fee schedule is in line with the Maine market. This is enraging and insulting. How can this be? This fee schedule reimburses us about \$24 per visit less than it did in 2005 and has not seen an adjustment since 2012...13 years ago! As this carrier provides insurance for a large portion of our patients, I attempted to discuss rates again the following year. I was told they were "working on it", gathering data to determine the percentage of the increase and they would keep me posted. Months went by, nothing...Reached out for an update, ignored. I submitted a third letter requesting a fee schedule adjustment in June of 2024, no response. Sent a request for an update in November of 2024, no response.

Commercial Insurance Carriers are proving to be unwilling to partner with small practices to devise reasonable payment structures. Ultimately, forcing practices to terminate contracts and leave commercial networks, essentially puts practices out of business, eliminates jobs for Mainers and lessens choice in where the people of Maine receive their care.

It is imperative that fair and sustainable reimbursement structures are in place to ensure the viability of privately owned and operated healthcare practices, such as ours.

I am asking you to vote ought to pass on LD1785 to support Cost of Living Increases from Insurance Carriers for small practices.

Thank you for your consideration and I am happy to answer any questions you may have.