

My name is June Tait. I am a Physical Therapist and have owned and operated Scarborough Physical Therapy Associates for the last 31 years. My clinic employs 25 individuals of which 19 are providers who provide quality, patient centered care to patients with a variety of diagnosis. We provide individualized, one-on-one care and have over 1200 physicians who refer patients to our facility.

Operating a viable practice has become increasingly more difficult due to increased operational costs and reduced per visit reimbursement. Operational costs increase substantially due to the surge in rent, utilities, the cost of healthcare for employees, which has risen 44% over the last 15 years, clinic supplies and employee salaries. Multiple vendors have informed us that additional increases in clinic supplies are on the horizon due to tariffs and inflation. Please note, we cannot charge patients or insurance companies for these supplies, as the insurance carriers consider them part of the visit.

My clinic has attempted several times to renegotiate the current reimbursement rates, which are 14-43% less than they were nearly 20 years ago. These attempts are either ignored or denied, stating the reimbursement rates are market rates. This response is beyond frustrating as not only does my clinic have the burden of increased operational costs each year, but also the added cost of the increased administrative responsibilities put in place by the insurance carriers. My clinic's attempts to negotiate fair reimbursement are to give us the ability to cover operational costs and provide cost of living raises for hardworking, dedicated staff. Cost of living increases have proven to be challenging to provide as we are reimbursed substantially less than we were 15-20 years ago. We are working harder and being paid less.

Physical Therapists entering the field are required to graduate with a Doctorate's degree and are Doctors of Physical Therapy. Physical Therapy saves millions of dollars annually to our healthcare system, helping patients return to work faster and saving patients from costly surgeries. Investment in physical therapy is an investment in healthcare as it is a cost savings long term. Currently, Physical Therapists in small practice are not being reimbursed at physician level reimbursement rates nor for the value we bring to healthcare.

To continue to provide exceptional care for our communities, fair reimbursement with annual cost of living increases is crucial. Privately owned clinics closing due to lack of reasonable reimbursement rates will leave the people Maine with fewer healthcare choices and will need to seek care from corporate owned facilities.

Small businesses are the backbone of Maine. Independently owned clinics are small businesses and face increased financial uncertainties as the primary source of income is determined by insurance carrier contracts for the services we provide.

I strongly urge the committee to pass LD1785 to support Cost of Living Increases from Insurance Carriers for small practices. A cost-of-living increase will help to ensure independent small practice sustainability and the continued ability to provide exceptional, quality care to the people of Maine.

Thank you for your consideration.

Do you have any questions?