

Senator Bailey, Representative Mathieson and members of the Health Coverage, Insurance and Financial Services Committee. My name is Betsy Armstrong, formerly of Surry where we overwhelmingly passed a town resolution in favor of universal healthcare but currently voting in Palermo. I am testifying on behalf of Maine AllCare, in strong support of LD1883, An Act to Enact *The All Maine Health Act* ~~ppr~~

I want to speak about how LD 1883 will benefit rural healthcare.

In our current system, rural health has marginal financial viability. Low volumes of people with good insurance and high volumes for those without — such as mental health, addiction and the rural poor — don't make for a robust hospital bottom line. *(Mention recent closures?? Ma)*

Several factors contribute to the ongoing crisis of rural hospital closures. The Center for Healthcare Quality and Payment Reform (CHQPR) has reported that the primary issue is the inadequacy of payments from private health insurance plans. The termination of special federal assistance provided during the COVID-19 pandemic has further exacerbated the financial strain on rural hospitals.

Under LD 1883, one of the benefits to hospitals would be certainty on the revenue side. With yearly budgets, hospitals would be able to organize themselves around the needs of the community. With financial certainty and predictable funding, our hospital will stay open, and necessary services such as labor and delivery will be able to continue or resume.

In its report on rural healthcare in May 2024, the American Medical Association outlined 5 keys to fixing America's rural health crisis.

Fix the Medicare payment system. Adjusted for inflation, Medicare physician payment has fallen 29% since 2001.

Address workforce burdens that drive burnout and early retirements. This includes the two hours physicians waste on administrative burdens such as prior authorization for every one hour they spend face to face with patients.

Enact legislative fixes to grow the physician workforce, including expanding residency and graduate medical education slots, incentivizing physicians to work in rural communities and supporting an expanded role of international medical graduates (IMGs).

Permanently remove telehealth restrictions. The pandemic showed that removing restrictions is an essential tool to providing care, especially in rural areas where transportation can be challenging.

Tackle chronic disease head-on. This includes bolstering health outreach and education to rebuild trust in science and medical institutions.

LD 1883 could address all five concerns, immediately fixing the first two problems, fixing the payment system and eliminating administrative burdens.

I urge you to vote Ought to Pass on LD1883. Thank you.