



Testimony In Support of LD 2154, An Act to Establish the Health Information Technology Fund to Support a State-designated Statewide Health Information Exchange (HIE)

*Shaun Alfreds
Executive Director & CEO, HealthInfoNet*

February 4, 2026

Good morning, Chairs Senator Ingwersen & Representative Meyer, and honorable members of the Joint Standing Committee on Health and Human Services. My name is Shaun Alfreds and I am the Executive Director and CEO of HealthInfoNet, the operator of the state designated statewide health information exchange referred to as the HIE.

I am pleased to be before you today to testify in strong support for LD 2154, an Act to Establish the Health Information Technology Fund to Support a State-designated Statewide Health Information Exchange (HIE).

Background

HealthInfoNet is an independent, 501(c)3 nonprofit organization that has operated the HIE in Maine since 2006. Maine's HIE links an individual's health information from unaffiliated healthcare providers to create a single statewide patient electronic health record improving the coordination of the patient's care which leads to better health outcomes.

Maine's statewide HIE is governed by 22 MRSA §1711-C, among other state and federal laws, and is recognized as a national leader in helping to create system-wide improvements in patient care and population health. It currently brings together vital health information from all the state's acute hospitals, federally qualified health centers, most outpatient locations and post-acute and long-term care facilities, behavioral health centers, social service agencies, community-based organizations, as well as MaineCare, the Maine Centers for Disease Control and Prevention (Maine CDC), the Maine Department of Corrections, the Veterans Administration (VA), among other sources. Currently, the HIE contains health records for more than 2.2 million individuals (both in-state and out-of-state residents), which are made available to healthcare clinicians and staff to help improve the safety, quality, and delivery of care they provide to Maine people.

Today, over 9,000 clinicians across the state log into the HIE to access over 250,000 Maine residents' medical records every month.

Maine's HIE provides a comprehensive suite of services that enables providers statewide to support data-informed health care coordination and management.

Recognizing this, the Maine Department of Health and Human Services (Maine DHHS) applied for and was awarded federal funding through the U.S. Centers for Medicare and Medicaid Services (CMS) to sustain the operations of Maine's HIE.



CMS awarded these funds based on evidence that improved access to patient data, and the HIE's management of the data have supported better outcomes and reduced costs across Medicaid, Medicare, and a range of public health programs.

The CMS funding conditions, which is a 3:1 federal/state financial contribution, requires the state to provide a match. CMS directed that the match must come from the state itself, not from HealthInfoNet or the provider community. For FY 2025, the legislature approved \$1.7M in funding from the Supplemental Budget while the State and HealthInfoNet worked to develop a sustainable way to fund the annual match for FY 2026/2027. The Department of Human services put forward a hospital bed tax for FY 2026 that was not approved by the Joint Standing Committee on Appropriations and Financial Affairs due to concerns about inclusivity of all stakeholders and philosophical concerns about the tax implementation.

After the proposed hospital bed tax was not approved in 2025, the provider community, HIN, and Maine stakeholders came together and agreed to work with the Legislature on this direct funding approach.

LD 2154 is focused solely on creating a health information technology fund for the state-designated statewide HIE. The fund, to be seeded by a direct appropriation is to only be used for the state-match to draw down the 3:1 federal money that would then support the long-term operations of the HIE. By doing so, all Maine providers would no longer have to pay for access to the statewide HIE that has become so critical for them to deliver high quality care and improve patient safety. In all, this will save the provider community over \$4.3M annually. Moreover, this investment by the state would reduce the barrier to the small "last mile" health care practices from joining the HIE, thereby improving what is already a widely coveted and used system. As you all know on this committee, to deliver good care, our clinical providers need the most current and comprehensive information on their patients – the HIE delivers that.

What Happens If the Legislature Does Not Establish the HIT Fund for State Match This Session?

Unprecedented financial pressures on the health care delivery system have forced many providers in our State to reduce needed services just to "keep the lights on". By supporting the 3:1 federal match, HealthInfoNet can directly and immediately reduce the financial burden on struggling providers while continuing to provide clinicians across our state vital information they need to provide care. Without this state match, HealthInfoNet would need continue to increase subscription fees on the already over-burdened provider community, potentially putting them in a position of withdrawing from the HIE. This would undermine not only the goals of health reform but also the value of the HIE directly impacting patient care and safety.

Thank you for the opportunity to provide testimony in support of the HIT Fund. On behalf of HealthInfoNet and the many organizations that rely on the HIE, we respectfully urge your support for this initiative.

