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Governor

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Commissioner



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March 25, 2022

Senator Ned Claxton, Chair
Representative Michele Meyer, Chair
Members, Joint Standing Committee on Health and Human Services
100 State House Station
Augusta, ME 04333-0100

Re: LD 811 (Retitled) *An Act To Compensate Sexual and Reproductive Health Care Providers Fairly for Comprehensive Primary Care Delivery*

Senator Claxton, Representative Meyer, and Members of the Joint Standing Committee on Health and Human Services:

Thank you for the opportunity to provide you with comments on LD 811, retitled to be *An Act To Compensate Sexual and Reproductive Health Care Providers Fairly for Comprehensive Primary Care Delivery*. In the interest of providing input on a compressed timeframe, this letter describes our high-level views.

The Department of Health and Human Services values and appreciates the important and, often less appreciated, comprehensive services delivered by agencies that primarily provide sexual and reproductive health care. Their quality care is critical to ensuring the health, wellness, and autonomy of countless Maine people.

This is why the Department has taken numerous actions to support agencies that primarily provide sexual and reproductive health services. This includes an initiative in the Governor's supplemental budget for a COVID-19 supplemental payment equal to 10 percent of fiscal year 2021 MaineCare revenue. These agencies also benefit from the Department's reforms to MaineCare payments. Effective July 1, 2022, the Office of MaineCare Services will pay for numerous services at 72.4 percent of current year Medicare rates rather than 70 percent of 2007 Medicare rates. This includes services in Section 90, under which sexual and reproductive health care provider agencies bill for a substantial portion of their services. Combined with other actions by the Department, agencies that primarily provide sexual and reproductive health services could receive an estimated \$340,000 or 22 percent more than their annual MaineCare revenue in this biennium.

The amendment to this bill would establish a per-encounter payment to certain sexual and reproductive health care providers for each MaineCare-covered patient to account for comprehensive services delivered to address their patients' range of needs, including social determinants of health.

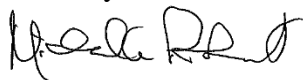
The Department shares the goal of this bill. Through its plan for MaineCare rate system reform, the Department is investing in more equitable, data-driven reimbursement that rewards providers for the provision of efficient, high quality care. As part of this work, the Department has committed

to engaging with Maine's sexual and reproductive health care agencies to conduct a rate study, commencing in this fiscal year, to design and implement an alternative model of payment that better compensates these agencies for the range of Medicaid-coverable services that they deliver, including the significant work needed to coordinate care and assist members with their health-related social needs.

However, the current amendment for LD 811 has several high-level flaws. It does not provide a feasible timeframe for policy development, rulemaking, Federal approval, and operationalization. Its approach to payment is cumbersome and antiquated, requiring significant data collection and cost-based reimbursement and reconciliation. These flaws plus its inclusion of payment "without limitation" and exclusion of principles of reimbursement would likely mean a high fiscal note and strong risk of Federal disapproval and audit. Additionally, the payments are not time limited like the biennial budget's behavioral health ramp payments to the planned implementation of behavioral health rate reform, suggesting these payments are an alternative rather than a bridge to rate reform.

Thank you for considering these comments as this bill moves forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle Probert". The signature is fluid and cursive, with the first name being more prominent.

Michelle Probert
Director
Office of MaineCare Services