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## TESTIMONY OF THE MAINE HOSPITAL ASSOCIATION

### In Opposition To

[LD 607](#) - *An Act To Restore Overtime Protections for Maine Workers*

**March 21, 2021**

Senator Hickman, Representative Sylvester and members of the Labor and Housing Committee, my name is Jeffrey Austin and I am with the Maine Hospital Association. I am offering this testimony in opposition to LD 607.

The Maine Hospital Association (MHA) represents all 36 community-governed hospitals including 33 non-profit general acute care hospitals, 2 private psychiatric hospitals, and 1 acute rehabilitation hospital. In addition to acute-care hospital facilities, we also represent 11 home health agencies, 18 skilled nursing facilities, 19 nursing facilities, 12 residential care facilities, and more than 300 physician practices.

This bill will increase the costs of hospitals just as it will increase the costs of other employers. Our very rough estimate of the cost to hospitals is \$5-10M per year. This cost would need to be covered somehow.

Medicaid consumes approximately 20% of hospital resources. Accordingly, this bill should include an appropriation provision for all Medicaid providers, including hospitals, to cover Medicaid's share of the cost of increasing overtime eligibility. In the case of hospitals, that would be \$600K to \$800K per year. To not increase Medicaid reimbursement literally puts the squeeze on Medicaid providers.

These types of bills consistently lack an analysis of the impact to all Medicaid providers. We've seen time and again that changes to Maine labor laws creates expenses for Medicaid providers that do not include a fiscal note. Then these costs to Medicaid providers are ultimately absorbed, in part, by the state in subsequent budgets. Such an analysis should be done.

Thank you for accepting these comments.