



Alliance for Addiction and Mental Health Services, Maine
The unified voice for Maine's community behavioral health providers

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Catholic Charities, Maine
Clarvida Maine
Co-occurring Collaborative
Serving Maine
Christopher Aaron Center
Common Ties Mental Health
Community Concepts, Inc.
Community Health & Counseling
Services
COR Health
Crisis & Counseling Centers
Crossroads Maine
Day One
Kennebec Behavioral Health
KidsPeace of Maine
MaineGeneral Behavioral
Healthcare
Milestone Recovery
NAMI Maine
NFI North, Inc.
Northern Light / Acadia
Portland Recovery Community
Center
Progress Center
Rumford Group Homes
Sunrise Opportunities
Sweetser
Wellspring, Inc.
Wings for Children & Families
Woodfords Family Services

Testimony in Support of
Resolve, Requiring the Commissioner of Administrative and Financial
Services to Conduct a Study of the State's Grant, Contracting and
Procurement Practices – LD 1449

April 16, 2025

Good afternoon, Senator Baldacci, Representative Salisbury, and honorable members of the Committee on State and Local Government. My name is Adam Bloom-Paicopolos. I am a resident of Wells and am proud to serve as the Executive Director of the Alliance for Addiction and Mental Health Services, Maine (the Alliance). The Alliance is the statewide association representing Maine's community-based behavioral health agencies who provide much-needed mental health and substance use services to over 80,000 children, adults, and families annually. The Alliance advocates for the implementation of sound policies and evidence-based practices that serve to enhance the quality and effectiveness of our behavioral health care system.

On behalf of the Alliance, I am here today to speak in support of LD 1449, "Resolve, Requiring the Commissioner of Administrative and Financial Services to Conduct a Study of the State's Grant, Contracting and Procurement Practices."

LD 1449 is an important step towards ensuring that the Department's contract encumbrment and payment processes are an efficient and reasonable system for community-based providers delivering critical behavioral health services. With operational and administrative expenses already leaving agencies stretched thin, contract encumbrment and payment delays have an outsized impact on service availability and staff retention.

Extensive wait times for contract encumbrment and delayed payments are the most common contracting issues we repeatedly hear from our members—often for multiple contracts at a time. According to the Department of Health and Human Services' LD 2082 report presented to the Health and Human Services Committee earlier this session, one in five behavioral health providers are not getting paid within 30-days. Nine percent are not getting paid within 45-days. Further, the finalization process for contracts is taking "significantly longer" than expected due to a myriad of factors, per the Department. While we can appreciate these factors and the impact they have on their system, community-based providers and the Mainers they serve are the one's feeling the brunt of these challenges.

The impacts of these delays are substantial for providers, particularly those who are primarily reliant on state-contracts to deliver critically needed services to their communities. Operating budgets are left vulnerable as payment or contract delays mount for months at a time. Many agencies must turn to costly private lines of credit

and debt to cover staff salaries and operating costs or face the impossible decision to pause or discontinue services.

We appreciate and recognize the steps the Department is making internally to address these concerns as outlined in their report. However, more is needed in the immediate to make our system sustainable right now. That is what the study proposed in this legislation will help accomplish. Particularly at a time when our providers are facing growing uncertainty and turmoil in funding streams at both the federal and state level, Maine cannot afford to continue placing community-based behavioral health and housing assistance services in jeopardy.

Thank you for the opportunity to provide testimony this afternoon. I would be happy to answer any questions from the Committee.

Respectfully,

A handwritten signature in black ink, appearing to read 'Adam Bloom-Paicopolos', with a stylized, flowing script.

Adam Bloom-Paicopolos, MPP
Executive Director