May 8, 2023

Supporting:

LD 1768 “An Act to Update the Alternative Base Year Payment Method for Federally Qualified Health Centers”

Sponsored by Representative Gattine

Senator Baldacci, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services, I am Ellen Krajewski, CEO of Eastport Health Care, one of Maine’s 20 community health centers (CHCs), also known as Federally Qualified Health Centers (FQHCs), and part of the largest independent primary care network in the state.

Eastport Health Care has service sites in Machias, Calais, and Eastport, Washington County, and provided care for 6,000 patients in 2022. Our team delivers medical, behavioral health, and dental, to members of our community, regardless of their health insurance status or ability to pay. And we are growing. We added over 1,200 pediatric patients and hundreds of new adult patients in 2022. Our services are greatly needed in Washington County, and Eastport Health Care is working hard to meet those needs.

We strongly support LD 1768 and thank Representative Gattine and the other co-sponsors for bringing this important legislation forward.

We are extremely grateful to the Legislature for the passage of LD 1787 during the 130th Session (PL 2021, c. 747). This legislation which requires a rate recalculation for FQHCs for the first time in over twenty years, and at a time when health centers were feeling the most profound effects of the COVID pandemic. Over the past few months, we have been working closely with the Department of Health and Human Services on the implementation of a recalculated rate and are close to completing that process.

I can personally attest that these rate increases will help bring greater payment equity to FQHCs at a time when it is needed most. Funds from equitable payment will be used to:

- Support market-based compensation for health center staff, allowing EHC to better compete with other health care facilities, such as small hospitals;
- Employ Community Health Workers to assist patients with addressing barriers to improving their health, such as food insecurity and transportation; and,

(continued)
• Utilize effective technologies that make patient care safe, timely, efficient, effective, equitable, and patient-centered.

Eastport Health Care cannot continue to operate without a framework for scheduled rate recalculations. Without these recalculations, considerable undue burden is put on us to provide the quality of care we aspire to in Maine.

MaineCare payments for FQHC services must be increased on a regular basis to reflect the current costs of providing services. I urge you to require the Department to further update the base year of the alternative system no later than June 30, 2026, and every 3 years thereafter. This is the foundation for developing a value-based payment model for FQHCs and ensuring that there is capacity for the work that care transformation requires. This is necessary for the long-term viability of Eastport Health Care.

On behalf of Eastport Health Care, thank you for considering our comments. Please do not hesitate to contact me directly at ekrajewski@eastporthealth.org with any follow up questions.

Sincerely,

Ellen Krajewski, MPH, CEO