



HEALTHREACH
COMMUNITY HEALTH CENTERS

Contact: Communications Department
Tele: (207) 660 - 9913

PR@HealthReach.org
DATE: May 2023

HealthReach supports LD 1768.

Our Community Health Centers serve our most rural and vulnerable – healthcare reimbursement rates should track with real-world costs and realized inflation so we can continue to serve Maine’s rural communities.

Senator Baldacci, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services – my name is Ed Molleo, and I am the Director of Communications for HealthReach Community Health Centers. The HealthReach organization is one of Maine’s 20 federally qualified health centers, who together compose *the largest independent primary care network in the state*.

HealthReach strongly supports LD 1768, “An Act to Update the Alternative Base Year Payment Method for Federally Qualified Health Centers”. We thank Representative Gattine and other co-sponsors for bringing this important legislation forward.

HealthReach is a 501(c)(3) nonprofit network of 12 Community Health Centers (CHCs), located throughout Central and Western Maine. On an annual basis, our 275 staff serve more than 26,000 patients through services that run the gamut of general preventative healthcare, dental care, and behavioral health services. Our locations are situated by mandate in medically underserved communities. Our clinics span a large service area, bounded by Albion and Whitefield to the east, Bingham to the north, Rangeley and Bethel to the west, and Richmond to the south. We serve patients that come from 9 of Maine’s 16 counties, and our Connector Program further provides Marketplace health insurance support for clients statewide.

It is in this context that I can confidently state: our positive impact on Maine is truly outsized when compared to our lean, efficient operations. Despite this, the last 3 years have seen a great number of shocks across the healthcare system, both in Maine and globally. The recent economic situation has been defined by its tumult. As members of the same communities we serve, we are acutely aware that our services stand as a lifeline for many rural peoples *all the time* – especially now and for the foreseeable future.

The bill before you can begin to address the ongoing financial anxiety that all of our state’s non-profit CHCs regularly experience. We are extremely grateful to the Legislature for the passage of LD 1787 during the 130th Session, which required a rate recalculation for CHCs for the first time in over twenty years – and – at a time

when CHCs were feeling the most profound effects of the COVID-19 pandemic. Over the past few months, we have been working closely with both the Maine Primary Care Association and the Department of Health and Human Services on the implementation. Completion of that process is close.

We attest that these rate increases will help bring greater payment equity to CHCs (as compared to all other healthcare provider types) when it is needed most. That said, **we cannot continue to operate without a framework for scheduled rate recalculations. The current situation puts considerable undue burden on our health centers and staff, and ultimately does not promote the quality of care we need in Maine.**

To avoid another delay, this bill would require the Department to further update the base year of that alternative system by no later than 30 June, 2026, and every 3 years (triannually) thereafter. **MaineCare payments for CHC services must be increased on a regular basis to reflect current costs of providing services – costs borne by our nonprofit CHCs.** This is the foundation for developing a value-based payment model for CHCs, and ensuring that there is capacity for the work that care transformation requires.

Simply put, CHCs are leaders in delivering innovative and integrated primary care to our most rural communities, and this bill is necessary for the long-term viability of Maine’s healthcare safety net.

On behalf of HealthReach and our 26,000 patients, I thank you for your consideration of this important bill and our testimony. LD 1768 will provide consistent and dependable funding, allowing us to continue serving Maine in the way that all Mainers deserve. Please choose to support our local, rural healthcare services with this bill.

Should you have any questions or seek further insight, please do not hesitate to reach out to me.

Edward Molleo (he/they)

Director of Communications, HealthReach

(2 0 7) 6 6 0 – 9 9 1 3

Edward.Molleo@HealthReach.org

-END-