

State of Maine | 130th Legislature
Joint Standing Committee on Health and Human Services
February 22, 2022

Testimony in Support of
LD: 1787 “An Act To Improve the Quality and Affordability of Primary Health Care Provided by Federally Qualified Health Centers”

Senator Claxton, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services, I serve as CEO of the Regional Medical Center at Lubec (RMCL), a community health center serving constituents in eastern Washington County. RMCL strongly supports LD 1787 and thanks Senators Claxton and Moore for bringing this bill forward.

RMCL has service sites in Lubec and East Machias and provided care for over 3,200 patients in 2021. Our team delivers medical, behavioral, and dental care to members of our community, regardless of their health insurance status or ability to pay.

LD: 1787 “An Act To Improve the Quality and Affordability of Primary Health Care Provided by Federally Qualified Health Centers”, is a much-needed bill that addresses the concerns of Maine’s Community Health Center Network regarding plans by Maine DHHS to revise its payment method for primary care services. The current design will significantly reduce funding for many health centers, in the midst of the worst global health crisis in modern times.

To preserve the advanced primary care model pioneered by Maine CHCs, MaineCare payments for those services must be increased to reflect the current costs of providing services before the Department establishes an alternative payment model for CHCs.

- The current MaineCare reimbursement rates for services delivered by CHCs are based on costs of providing services 20 years ago.
- Rates have not been adjusted to keep pace with increases in the costs, intensity and scope of services offered.
- A solution to this problem does exist and has been implemented for another type of primary care provider in Maine. In 2019, outdated service rates for rural health clinics (RHCs) were rebased. The same kind of adjustment is crucial for the continued success of CHCs.

RMCL has one of the lowest MaineCare reimbursement rates of all FQHCs in Maine and has not had a significant increase in reimbursement since 2000. The annual percentage increases to the costs of hiring qualified staff and providing quality services has far outpaced our annual prospective payment system (PPS) percentage increases that are based on the Medicare Economic Index (MEI) for primary services. Rebased would level the playing field for RMCL and other FQHCs whose rates have fallen far behind Rural Health Clinics that got significant increases in 2019. Rebased would support increases in RMCL’s wages and benefits that are critically needed for attracting and retaining qualified staff.

Community health centers, one of the few health care providers in Maine that have not received any pandemic relief from the state, exist as a fragile safety net in the best of times, while serving at the forefront of integrated primary care. LD 1787 would help maintain access to health care for Maine’s most rural and underserved communities.

On behalf of the Regional Medical Center at Lubec, thank you for considering our comments in support of LD 1787. Please do not hesitate to contact me with any follow up questions.

Marilyn F. Hughes, CEO

A handwritten signature in cursive script that reads "Marilyn F. Hughes, CEO". The signature is written in dark ink and is positioned below the typed name.

Regional Medical Center at Lubec, Inc.