

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:

My name is Barbara Crider, and I am the Executive Director of York County Community Action. One of our divisions, Nasson Health Care, is a federally qualified health center, with its primary clinical site in Springvale. We also provide clinical services in Biddeford.

Our clinicians provided primary care, dental care and behavioral health treatment to 9,300 residents of York County during the last calendar year.

FQHC’s are not for profit providers. Federally Qualified Health Centers are required by the federal government to provide care to all patients, regardless of the patient’s ability to pay for care received. We receive grant and donor funds to cover the cost of providing care to uninsured patients whose income is at or below 200% of the poverty line.

It is critical, therefore, that payments on behalf of patient’s who are enrolled in Medicaid, Medicare or commercial insurance cover the actual cost of the care provided.

Medicaid pays FQHC’s under a bundled rate. The rate is supposed to cover the actual reasonable cost of service delivery. However, FQHC rates were established 22 years ago. And while they have been adjusted annually using the Medicare Economic Index, the rates have not kept pace with the increase in cost, intensity and scope of services offered.

LD 1787 requires the MaineCare program to “re-base” FQHC’s bundled rate based on actual cost of care in the year 2019.

Primary care practice has changed significantly in the past 22 years.

There have been many improvements in care, including the use of electronic medical records systems, e-prescribing, practice based diagnostic and monitoring devices that render timely and accurate information to the care provider, to name just a few. These improvements added to quality, but also to cost.

In addition, at our Health Center, patients are presenting with more complex health and social needs. Many have multiple chronic conditions, which can be difficult to manage.

FQHC's have, since their inception, understood that medical treatment cannot be effective if patients are living with unmet basic needs. Our staff, including our primary care providers, assess patients need for safe housing, transportation, and adequate nutrition. And, we work hard to ensure that these needs are met, because that is the only way a patient can achieve and maintain good health outcomes. This approach to care, while essential to quality, adds cost at the primary care practice.

In order for the FQHC's across Maine to maintain the ability to provide high quality and effective care to some of our most vulnerable residents, it is critical that MaineCare reimburse us for the actual cost of care. And that will be the result if LD 1787 is enacted.

At Nasson Health Care, during the 2019 fiscal year, our MaineCare reimbursement was 7% below our costs. In order to keep our doors open, we needed to divert discretionary resources (such as donor dollars) and grant revenue to cover this shortfall. But as I said earlier, donor dollars and grant funds are intended to enable us to treat all patients, including those with low incomes and no insurance coverage.

With adequate reimbursement for our MaineCare patients, we look forward to continuing to partner with Maine DHHS to improve the delivery of primary care, using innovation and leveraging a range of community resources.

On behalf of York County Community Action and Nasson Health Care, thank you for your time and consideration, and we urge you to support LD 1787.

Respectfully Submitted,

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