

## MaineHealth Local Health Systems

Franklin Community  
Health Network  
LincolnHealth  
MaineHealth Care At Home  
Maine Behavioral Healthcare  
Memorial Hospital  
Maine Medical Center  
NorDx  
Pen Bay Medical Center  
Southern Maine Health Care  
Synernet  
Waldo County General Hospital  
Western Maine Health

## Part of the MaineHealth Family

MaineHealth Accountable  
Care Organization

## MaineHealth Affiliates

MaineGeneral Health  
Mid Coast-Parkview Health  
New England Rehabilitation  
Hospital of Portland  
St. Mary's Health System

## Testimony of Sarah Calder, MaineHealth in Opposition to LD 167, “An Act to Limit Late Medical Billing to 6 Months” and LD 367, “An Act To Require Timely Billing for Health Care Services”

**Thursday, February 11, 2021**

Senator Sanborn, Representative Tepler and distinguished members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, I am Sarah Calder, Director of Government Affairs for MaineHealth, and I am here to testify in opposition to both LD 167 and LD 367.

MaineHealth is Maine’s largest integrated non-profit health care system that provides the full continuum of health care services to the residents of eleven counties in Maine and one in New Hampshire. Every day, MaineHealth’s over 23,000 employees are committed to fulfilling our vision of “working together so our communities are the healthiest in America.”

Health care billing is an incredibly complex process, and we agree that the system needs to be streamlined so that patients have access to timely, meaningful and transparent information. To that end, we fully support the Maine Hospital Association’s legislative efforts to create a more rational hospital billing system. And while the legislation before you today acknowledges a very real problem, it doesn’t get to the root of the problem and, instead, holds health care providers liable for a process that is largely outside of their control.

MaineHealth’s Central Billing Office submits most claims to carriers within 30 days, and nearly all are submitted within 90 days. Once claims are submitted, the insurer processes a clean claim in approximately 30 to 45 days. With that said, 90% of our statements are sent to patients within 90 to 120 days. If there is a denial of the claim, however, our Central Billing Office may not receive the denial notification for upwards of 90 days. Once they receive the denial, it is triaged by our teams and often routed to another specialized department, depending on the reason for the denial. If there is a backlog in our system, it can take upwards of 30 to 40 days to submit the appeal. Payors will often take another 60 to 120 days to make a determination on the appeal. Additionally, most payors will allow at least two levels of appeal, which can double this timeframe.

There are also quite a few examples where the timeline can be extended further. For example, if a claim needs to be overturned after being denied in all levels of appeal; we have seen some outlier issues that have taken years to resolve. Other

issues involve post payment reviews and audits, coverage by multiple insurers, and high dollar payment reviews, which happens more frequently at Maine Medical Center than other hospitals, as they care for more complex and high acuity patients.

The system that I've described for you is far from perfect, but the legislation before you today will not solve this problem. With that said, I urge the Committee to vote Ought Not to Pass on both LD 167 and LD 367.

Thank you and I would be happy to answer any questions that you may have.