

2024

Annual Report



Budget

Supplemental: The legislature enacted one supplemental budget this session. The majority of the hospital impact was the roll-out of DHHS's hospital rate reform in Medicaid (see below).

In addition to the rate reform the supplemental included a few items of interest:

Lewiston Shooting: The supplemental included the Speaker's legislation (LD 2237) that is intended to address some of the mental health needs highlighted by the shooting in Lewiston including funding for mobile crisis services, two more crisis receiving centers, more funding for medication management and more.

Nursing Homes: The supplemental also had some one-time funding intended to assist nursing homes as they work through their rate reform efforts.

PRTF: There was also one-time funding of \$2M intended to incentivize a provider to build a Psychiatric Residential Treatment Facility (PRTF) in Maine. The \$2M is for capital costs associated with such a facility dedicated to adolescents.

Federal

The outreach to the federal delegation was on a similar set of topics this year as last year.

- Workforce needs;
- the behavioral health crisis;
- hospital finances and the practices of Medicare advantage plans; and
- PHARMA's attempts to undermine the 340B program.

We also stressed that 2025 will be a pivotal year for us with a new President, new Congress and many important programs expiring such as ACA subsidies but also items like the "Trump" tax cuts.

Advocacy

The second session (the so-called short session) of the Legislature adjourned on May 10. Taking on the carriers was a focus for us this year and we have a few positive developments. First, our prior authorization bill (LD 796) was enacted into law. While it doesn't eliminate prior authorization, it does curb some of the worst carrier abuses. A second bill of ours (LD 1407) attempts to bring some order to the chaos surrounding unilateral policy changes by carriers. Furthermore, we were able to beat back an effort by carriers and others to eliminate the use of facility fees. We were also able to work with a coalition of employer groups to prevent some of the worst labor legislation from getting enacted. Finally, the mandatory nurse staffing legislation was not enacted after our major counter-lobbying effort.

Finance

MHA led the successful negotiations with DHHS that culminated in a series of hospital tax and reimbursement changes, resulting in a net increase in MaineCare reimbursement of between \$50 - \$60 million per year and includes automatic cost-of-living adjustments going forward. This increase brings hospital MaineCare rates up to the maximum allowable rates under the federal Upper Payment Limit.

The major elements of Medicaid rate reform for hospitals include:

- Increasing hospital outpatient reimbursement from 83.7% of the Medicare rate to 109% of the Medicare rate;
- Increasing hospital inpatient base rates from the existing \$5,400 to approximately \$6,400 with an additional add on payment for graduate medical education at Maine's teaching hospitals;
- Maintaining the existing cost settlement approach to hospital based professional payments by which most professional services at urban hospitals are reimbursed at 83% of cost and professional services at rural hospitals are reimbursed at 100% of costs;
- Exempting critical access hospitals from the hospital tax beginning in 2025;
- Establishing a new MaineCare critical access hospital rate of 104.5%, which is one of the highest rates in the nation; and
- The Hospital Tax rate increases from the existing 2.23% to 3.25% and the tax year changing from 2018 to 2022.

Rate reform negotiations continue on some issues that are still not fully resolved including aligning Medicaid's facility fee policy with that of Medicare (limited Site Neutral policy), extending and expanding "days awaiting placement" payments for hospitals, expanding the current readmission penalty provision and changes to outlier payments.

MHA continues to publish its quarterly operating margin and expense report by which hospitals input data and MHA reports quarterly financial results on a real time basis. These reports have become integral in tracking the financial successes and challenges that hospitals continue to face emerging from the pandemic.

MHA also has continued to work with our wage index consultants and the Medicare Administrative Contractor to improve the process by which hospitals submit wage index and occupational mix data so that the data is as accurate as possible, and Maine hospitals receive Medicare rates that are fair and accurate.

Workforce

MHA wrapped up the 131st legislative session with success on the workforce front. Specifically, MHA advocated for six bills that provide funding for physician recruitment and retention, support for nursing and allied health training, expansion of scope of practice, and mitigation of workplace violence. Additionally, MHA successfully fought LD 1639, which would have mandated nurse staffing ratios in Maine hospitals. MHA continues to work with our federal delegation to push forward the Safety from Violence for Healthcare Employees (SAVE) Act, providing similar protections to those offered in the airline industry, as well as advocate for the revision of the CMS requirements of nurse educators needing one-year long term care experience to teach CNA courses.

To support healthcare workforce training and expanding the pipeline, MHA and the Workforce Council has been working to strengthen our partnerships and collaboration with various stakeholders, including Jobs for Maine Graduates (JMG), Maine Community College System (MCCS), University of Maine (UMS), St. Joseph's College, Husson University, Maine College of Health Professions (MCHP), Roux Institute of Northeastern University, Maine's Departments of Labor and Health and Human Services, and the Building-ME and MERGE collaboratives. We will continue to identify partners that can work with us to identify talent and support training and placement opportunities. MHA worked with several of these partners to publish a white paper on Respiratory Therapy Workforce in Maine and identified core strategies to improve the availability of respiratory therapists now and in the future.

MHA also wrapped up a three-month media campaign to promote our HealthCareers4ME, a website aimed at those searching for a career path, particularly those who are high school or college age, to discover, research and compare healthcare careers in Maine. The media campaign garnered 1,652,487 impressions with over 13,000 website clicks, with our largest traffic on Instagram and TikTok.

To support our workforce retention efforts, MHA co-hosted a Caring for the Caregiver: Building a Resilient Workforce & Organization Conference in March 2024, which had over 125 attendees and received positive reviews. Lastly, the Workplace Violence Subcommittee finalized its recommendations to the legislature regarding standard data collection for workplace violence incidents. MHA has been working with hospitals to roll out a pilot program to collect these core elements of a workplace violence incident to validate the tool, as well as gather some initial data on the scale and severity of violence that is occurring every day in hospitals. We hope this preliminary data will support and drive policy, programs and education to alleviate violence against our healthcare team members.



Education

Signature Conferences: Small & Rural and Summer Forum

Members from across the state and region gathered for our signature events, embracing the opportunity to hear national speakers on a variety of healthcare topics and network with their peers.

"Empowering Rural Healthcare: Building Resilience and Nurturing Agility" was the theme of our Small or Rural Hospital Conference, focusing on innovative strategies and solutions for enhancing the resilience and agility of rural healthcare. From leadership sessions to discussions on consumerism, the future and financial sustainability of rural healthcare, and lessons learned from the Lewiston mass shooting, there was something for everyone.

Speakers at the Summer Forum united under the theme "Strong Teams, Strong Hospitals, Strong Communities". Attendees were immediately captivated by Command Sergeant Major Gretchen Evans, who shared her inspiring story and the pivotal lessons she learned about leadership, overcoming adversity, and the importance of a "rope team." Other speakers explored transformative trends and technologies, including Artificial Intelligence (AI), poised to revolutionize the healthcare landscape. The conference concluded on a lighter note, emphasizing the importance of fun and joyful workplace cultures in helping healthcare leaders and teams find greater fulfillment.

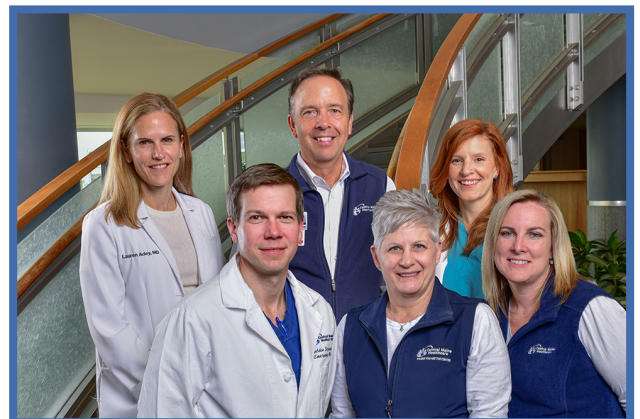
A highlight of the conference was in recognizing the extraordinary efforts of the Central Maine Healthcare team in the aftermath of Maine's first mass shooting by honoring them with the 2024 Caregiver of the Year Award.

Workplace Violence Prevention Summit

To address the growing concern around workplace violence, MHA hosted a Workplace Violence Prevention Summit in the fall. Members from across the state packed MHA's conference room to explore effective approaches, challenges, and potential solutions for curbing workplace violence. Sessions focused on the elements of a successful workplace violence prevention program, developing partnerships with local law enforcement, de-escalation techniques, and supporting employees after a violent incident. Plans are already underway to continue education on this important topic in the upcoming year.

Caring for the Caregivers: Building A Resilient Workforce and Organization

In collaboration with the Maine Medical Association, healthcare leaders and clinicians from across the state gathered for a spring summit to identify best practices and innovative approaches for improving wellness and resilience. The conference featured national speakers, including Bryan Sexton, PhD, from the Duke University Center for the Advancement of Well-being Science, a recognized expert in workforce well-being and resilience. Alongside various plenary sessions, participants had the opportunity to engage in breakout sessions showcasing best practices from across the state.



Caregiver of the Year: Central Maine Healthcare. Left to right: Lauren Adey, MD, Chief of Orthopedic Institute; Sheldon Stevenson, DO, Chief of Emergency Medicine; Steve Littleton, President and CEO; Kris Chaisson, Senior Vice President, Chief Nursing Officer; Hannah Stonebreaker, PA, Lead APP Surgical Specialist; Jen Bodger, Vice President of Clinical and Support Services.