

## Advocacy

The First Session (the so-called long session) of the Legislature adjourned July 26. It was actually the first “special” session because they had adjourned the first session on March 30. This is the second Legislature in a row where they adjourned early in order to enact a budget.

Lawmakers passed:

- MHA’s workforce bill, addressing Maine’s healthcare worker shortage by putting real money behind efforts to combat it. It provides loan repayment programs for nursing faculty and physicians, and funding to expand clinical training for healthcare students.
- A law clarifying the felony statute for assaults in the emergency room so that we can protect all our staff.

A nurse staffing ratios bill, which would cost over \$100M, limit access to hospital care and strip nurses of autonomy and flexibility without creating one new nurse, was carried over to the second session.

## Budgets

**Supplemental:** The supplemental budget addressed two hospital requests: a \$25M relief payment for hospitals and a directive that the Department of Health & Human Services (DHHS) use 2022 data when it updates its inpatient psychiatric rates for community hospitals.

**Biennial:** The Legislature adopted a “baseline” budget, with virtually no new initiatives in March, to avoid a government shutdown. In July, they enacted a supplemental budget that had most of the meaningful initiatives:

**Rate Setting.** The budget includes \$22M for increased Medicaid inpatient rates in SFY 2025.

**Inpatient Psychiatric Rates.** The budget includes \$11M per year to increase reimbursement for inpatient psychiatric beds.

**PNMI Tax Repeal.** DHHS is repealing the assessment for private non-medical institutions, thus creating a hole in the Medicaid budget. DHHS has not put forward a permanent solution for that problem but is addressing it short-term in the change package.

## Federal

Workforce was among the topics MHA discussed with Maine’s Congressional delegation this spring. We also talked about the behavioral health crisis, hospital finances and the practices of Medicare advantage plans. We discussed how prescription drug manufacturers are constantly ignoring federal law and refusing to extend 340B prices to covered entities such as contract pharmacies. It is critical that the Health Resources & Services Administration take a strong stance and properly enforce these laws to assure that this important funding source continue for hospitals and other 340B covered entities.

## Finance

MHA created a quarterly operating margin 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 have faced emerging from the challenges of the pandemic.

MHA led the negotiations with DHHS and participated in the Comprehensive Rate Determination process that led to a proposal to significantly increase the MaineCare inpatient psychiatric rates and create a new payment structure that will change from the current per discharge model to a per day rate that is severity adjusted and accounts for the number of days that the patient is in the hospital. The rates are based upon the actual costs of providing the services in 2022 and have an automatic inflationary update built in. The estimated positive financial impact of this change is approximately \$18 million.

We continued to work with Senator Angus King’s office in an attempt to improve the Veteran’s Administration hospital

claims processing system. Although the system is still not operating at the level that hospitals, taxpayers, and veterans should expect, significant improvements have been made when the VA contracted with Optum to outsource the claims processing work.

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

We worked with the American Hospital Association and our Congressional delegation to track and advocate for the importance of the 340B discount drug program to Maine hospitals. Hospitals in Maine benefit from 340B by a total of \$340 million per year, which is critical to providing the important charitable work that hospitals do in their community every day.

# Education

## Small & Rural and Summer Forum

For the first time since the start of the pandemic, we were able to host both of our signature conferences in person.

- Both conferences focused heavily on one of the biggest challenges facing our members...workforce.
- The theme of our Small or Rural Hospital Conference was *At the Heart of It All, It's About People* and focused on the importance of workplace culture, strategies and best practices for ensuring and sustaining a healthy workforce post pandemic.
- Other challenging topics were addressed, including preventing and mitigating workplace violence and the ongoing behavioral health crisis.
- The Summer Forum, *Recharge and Reconnect*, further explored issues related to workforce, including how to keep talent in a new age of work, understanding generational differences, improving emotional wellness, and reconnecting to passion and joy.
- We were also able to honor a Caregiver of the Year once again. This year's award went to Kieran Kammerer, MD, physician and medical director, MaineGeneral Pediatric Practices.



MHA President Steven Michaud and Caregiver of the Year  
MaineGeneral pediatrician Kieran Kammerer MD.

## Webinars

We continued to host a variety of webinars on hot topics including workplace violence, surprise billing, patient falls and a multitude of regulatory and licensing issues.

## Governance Education

MHA ramped up efforts to educate hospital trustees. In addition to quarterly newsletters featuring governance-related articles, podcasts and other tools, we hosted an in-person program, *Board Basics Bootcamp: Leading Practices for Building Resilient Governance*. Through didactic presentations, case studies and facilitated discussion, national governance expert Erica Osborne, MPH, (Via Consulting) led a day-long meeting outlining strategies and practices from some of the country's leading healthcare boards. In addition, we sponsored a number of governance-related webinars throughout the year, centering on governance megatrends, healthcare finance and strategic focus, among other topics.

# Workforce

MHA convened its first Workforce Council, which held its inaugural meeting in December to discuss factors affecting the workforce shortage, including supply, retention, and workplace violence. MHA developed resource tools and conducted broad surveys to better understand the challenges facing hospitals' workforce, and published the 2022 Labor Cost Study. The Council identified the following two priorities: Expanding Training Programs for specific occupational roles (training) and Career Pathways and Professional Development (retention).

There are many clinical and non-clinical occupational roles that are currently in demand, but continue to be difficult to fill. Over the next 12 to 18 months, MHA and the Council will focus on supply of Respiratory Therapists and Non-Clinical Entry Level roles, such as Patient Service Representatives, Environmental Services and Nutrition Services. These roles are seen as critical to the delivery of care, but have not received a lot of attention, like nursing. We are excited to leverage partnerships, training, and recruitment strategies and identify how we can increase the pipeline for these jobs.

MHA also convened a Workplace Violence subcommittee to work on policies, education, and best practices that mitigate workplace violence. MHA will launch a resource page this fall to support hospitals and their care teams manage and mitigate workplace violence. We will also host a conference focused on sharing best practices, challenges, and potential solutions to mitigating and preventing workplace violence in all healthcare settings. More to come!

MHA launched HealthCareers4ME.com, 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 website is part of a multi-pronged campaign to educate career searchers about the kinds of healthcare jobs that are available right now. It includes videos with Maine hospital employees talking about their jobs, links to hospital help wanted pages and information about educational opportunities.



Finally, to further healthcare workforce expansion efforts, MHA is a sub-recipient of funds from the \$650,000 Building ME grant that was awarded by the state earlier this year. We will be using that money to expand clinical training in the state's rural areas, working with four sites and hope to expand as funding and time limits allow.