MHA
Maine Hospital Association

2025 ANNUAL REPORT

Advocacy

The first session of the 132nd Legislature concluded on June 25th. A total of 1,988 bills were filed; this is roughly 500 more bills than ten years ago. Additionally, over 600 bills were enacted as compared to less than 450 ten years ago.

The best news of the session was the enactment of state-level protections for the federal 340B program. Maine now joins over a dozen states with state legislation that seeks to prevent pharmaceutical manufacturers from limiting contract pharmacy partnerships and other similar efforts to undermine 340B. Other good news included the fact that we helped keep the mandatory staffing ratio legislation on the sidelines again this year. While the news from DC was not great, Maine hospitals are some of the least negatively impacted by the OBBA. A full summary of the first session can be found on the MHA website.

Budget

The combination of the SFY 2025 supplemental budget, and the two biennial budgets resulted in a significant increase in general funding for the Medicaid account. The budget included a 1% COLA increase to hospital inpatient reimbursement rates. The proposal to impose a new bed tax on hospitals was rejected. Also rejected was the imposition of a massive cut to hospital-based physician reimbursement rates. Sadly, a one-time cut was imposed for SFY 2028 which we will seek to eliminate. Finally, funding to operate a psychiatric residential treatment facility (PRTF) was included in the second year of the biennium.

Federal

The OBBA includes several challenges for hospitals. Most of the negative policies are not direct cuts to hospitals but are changes that will likely result in people losing either Medicaid coverage or their subsidies to purchase coverage on the exchange. We appreciate the significant provider relief fund that was included in the OBBA but work ahead remains to make sure providers actually receive the funds.

Finance

In March 2025, the Legislature and Administration failed to pass a supplemental Medicaid budget, prompting the Department of Health and Human Services to withhold over $100 million in hospital payments—a first in Maine. The Maine Hospital Association led efforts to ensure these debts were fully repaid once funding became available in late June.

To assess financial stability, MHA partnered with national consulting firm PYA to compare Maine hospitals with peers in New England and across the U.S. The findings confirmed that Maine hospitals face more precarious financial conditions than most others. The study has since been used by MHA and individual hospitals to advocate for needed support and to explain difficult financial decisions necessary for long-term sustainability.

As part of 340B legislation negotiations, hospitals agreed to submit limited financial and statistical data to the Maine Health Data Organization. MHA ensured reporting requirements were narrowly defined to protect proprietary information, enabling all 340B hospitals to meet the July 1, 2025, deadline.

MHA continues to publish its quarterly operating margin and expense report, giving real-time insights into hospital financial performance as they navigate post-pandemic challenges.

MHA has also worked with wage index consultants and the Medicare Administrative Contractor to improve the accuracy of wage index and occupational mix data, helping Maine hospitals receive fair and accurate Medicare reimbursement rates.

Education

Signature Conferences: Small & Rural and Summer Forum

MHA's signature conferences once again brought together healthcare leaders from across Maine to share insights and drive progress. The **2025 Small or Rural Hospital Conference** focused on sustaining high-quality rural care amid evolving challenges. Keynote Craig Deao emphasized long-term transformation over cost-cutting, while sessions explored workforce strategies, rural maternal care, and regulatory updates. A highlight was a cross-sector panel on improving maternal health access with hospital and doula leaders.

At the **2025 Summer Forum**, the theme "Unlocking Healthcare's Future: Innovation, Technology, Trust and the Path Forward" guided a forward-thinking agenda. Dr. Geeta Nayyar opened with a keynote on trust and technology in patient engagement. Other standout speakers included Adam Braun on future-ready teams, Ryan Campbell on resilience, and Melissa Agnes on brand protection. American Ninja Warrior Alex Weber closed with an energetic talk on overcoming setbacks. The forum also honored Dr. Karin Cole of Northern Light Mercy Hospital with the 2025 Caregiver of the Year Award for her extraordinary dedication to patient care.

Dr. Karin Cole (center) with News Center Maine's Sharon Rose (left) and NL Mercy President, Charlie Therrien

Workplace Violence Prevention Summit

In response to ongoing safety concerns, MHA hosted the 2024 Workplace Violence Prevention Summit in Augusta. The event featured Dr. Kelly Austin on gaps in hospital safety and FBI Special Agent Kristina Angell on targeted violence prevention. Sessions addressed emergency department best practices, aggression in vulnerable populations, and tools for predicting violent incidents. Attendees left with actionable strategies and renewed commitment to safety.

Building on the summit's momentum, MHA launched regional Workplace Violence Prevention Trainings in April. Held in Portland, Augusta, and Bangor, the sessions drew over 100 professionals from more than 75% of member hospitals. Led by Dr. Kelly Austin, these full-day, interactive trainings focused on identifying and managing violent incidents, the top five contributing factors, and effective de-escalation and protection techniques. With strong leadership engagement and a focus on metrics and policy, the sessions underscored members' dedication to creating safer care environments statewide.

Workforce

Rural hospitals have long sought leadership training tailored to their needs. When the Rural Health Research Center (RHRC) and Daniel Hanley Center invited MHA to co-create a rural healthcare leadership program, we embraced the opportunity. Participants and supervisors call it transformational—boosting personal growth, organizational impact, and community benefit. Many describe it as the most engaging training of their careers. We thank RHRC and Hanley for their partnership and look forward to launching the second cohort in October 2025.

To better target workforce gaps, MHA's Workforce Council conducted a March 2025 survey of 32 member hospitals, with 27 responses (82%). It captured recruitment efforts, age demographics, and investments in wages, travel staff, and workforce initiatives. While nursing remains a top priority, radiologic technologists and respiratory therapists also emerged as critical to patient care—areas MHA will focus on in 2026.

Workplace Violence

In June 2024, MHA's Workplace Violence Subcommittee launched a new reporting tool, piloted by 20 hospitals, with data analyzed by the Roux Institute. From August–December 2024, physical violence was most reported (1,055 of 1,729 incidents), followed by 609 verbal cases. Common responses included security/restraints (553), verbal de-escalation, and EAP/medical support. These findings are guiding MHA's work with legislators and district attorneys to strengthen support for hospitals and staff.

Maine's Hospital Capacity

Over 300 patients in Maine hospitals are medically ready for discharge daily, but wait weeks or months for placement. In December, MHA and the Roux Institute published A Clogged System of Care, detailing causes, impacts, and ED boarding challenges. To address this, MHA is helping hospitals implement Apprise, a statewide capacity management system. By September, all but six hospitals will be onboarded, giving real-time visibility into staffed bed availability across units and specialties. Apprise also tracks respiratory illnesses (CMS-compliant), avoidable days, and ED boarding, and is now Maine CDC's official capacity reporting system, funded by the U.S. CDC and NHSN.