

TESTIMONY OF THE MAINE MEDICAL ASSOCIATION

IN OPPOSITION TO

L.D. 1676, AN ACT TO PROTECT MAINE CITIZENS' CREDIT

Joint Standing Committee on Insurance & Financial Services
Room 427, State House, Augusta, Maine
1:00 p.m., Wednesday, February 3, 2010

Good afternoon Senator Bowman, Representative Treat, & Members of the Joint Standing Committee on Insurance & Financial Services. I am Andrew MacLean, Deputy EVP of the MMA, and I am testifying in opposition to L.D. 1676. The MMA is a professional organization representing more than 3000 physicians, residents, and medical students in Maine whose mission is “to support Maine physicians, advance the quality of medicine in Maine, and promote the health of all Maine citizens.”

We all know that medical debt is one of the leading, if not the leading, reasons for individual bankruptcy filings in this country today. The MMA is sympathetic to the plight of patients who cannot pay for their care. However, the proper response to this situation is comprehensive health care reform at the national level, not imposing further restrictions – beyond current state and federal law on fair debt collection - on physician practices’ ability to hold patients accountable for the cost incurred for medical services. Most physician practices are small businesses with financial obligations of their own.

Moreover, I do not know the practical impact of this bill, as the business standard in the medical community seems to be that payment is due at the time of service. Because of the challenges of complying with the consumer credit laws, most practices do not extend credit to patients. Many do accept credit cards, but that is not relevant to this bill. In my experience, most physician practices work very hard to accommodate the needs of indigent patients by providing care for free or at a reduced cost, or permitting a patient to pay over time for a debt that is acknowledged as due and payable on the date of service.

So, in addition to being a bad idea because of the financial needs of medical practices, I think this bill is a bad idea because of the complexity of compliance with it. Lastly, I am concerned about a potential unintended consequence of this bill – that it might encourage practices to insist on full payment at the time of service with a likely reduction in access to care.

Thank you for considering the views of the MMA on L.D. 1676 and I would be happy to answer any questions you may have.