Good afternoon Senator Hill, Representative Rotundo, and Members of the Joint Standing Committee on Appropriations and Financial Affairs. I am Andrew MacLean, the Deputy Executive Vice President for the Maine Medical Association (MMA) and I am speaking today in opposition to part and in support of part of the supplemental budget proposals you have put forth.

The MMA is a professional association representing more than 4,100 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 appreciate that you undertake an extremely hard job in balancing the state budget and have many competing priorities. We know that you put the interests of Maine first. While we support several of the sources of revenue you have proposed in both State Fiscal Year 2014 and 2015, we have concerns with other cuts you are proposing.

**Transfers from the Fund for a Healthy Maine (SFY 14 & 15)—Oppose**

MMA’s members and the Public Health Committee have made it a priority to preserve and strengthen the programs of the Fund for a Healthy Maine. Our members have taken this action for two reasons: First, this is not taxpayer money – it was extracted from tobacco companies to compensate Maine for the costs of caring for people who became ill from smoking. Second, this fund is preventive in nature. Many high cost medical conditions are entirely preventable through education and early interventions. Chief among these are tobacco-related illnesses. Tobacco use is the leading cause of preventable death in Maine. It also costs an estimated $216 million to Maine taxpayers to treat tobacco related disease. The physicians of...
Maine urge the Legislature to continue to invest both the on-going and special one-time funds available into the Fund for Health Maine and oppose the transfers out of the Fund proposed for 2014 and 2015. In the bigger picture, a modest investment in these programs today will result in huge savings down the road.

**$9 Million Reduction in Medical Care – Payments to Providers (SFY 14)– Oppose**

The SFY 2014 proposal includes a $9.6 million cut in payments to medical providers. While the specifics of how these cuts will be allocated is not clear, we have grave concerns about potential cuts to physician reimbursement. Having appropriate reimbursement rates in place is critical to ensure MaineCare beneficiary access to care. Medicaid provides crucial access to health care for over 300,000 individuals in Maine. Medicaid beneficiaries are among the most vulnerable members of society, including needy children and the disabled. Health-care providers are not required, however, to accept Medicaid patients. If Medicaid reimbursement rates are set too low, providers of quality care will drop out of the system and Medicaid beneficiaries will lose sufficient access to quality health-care services. Cuts in reimbursement will not only harm those currently receiving health care, but also those that may become eligible for services if the state chooses to expand coverage as provided for under the Affordable Care Act.

**Adjust tobacco tax for equalization with increased cigarette tax & increase cigarette tax by $1.50 (SFY 14 & 15)– support**

Increasing the price of tobacco is the number one recommended strategy by the United States CDC to address rates of tobacco use because public health research shows that increasing the price will: reduce the total amount of tobacco consumed; reduce the prevalence of tobacco use; increase the number of tobacco users who quit; reduce initiation of tobacco use among young people and reduce tobacco-related morbidity and mortality. As a strategy to improve health and reduce health care costs, the MMA strongly supports both increasing the cigarette tax and equalizing the tax on other tobacco products with that applied to cigarettes.

**6-month limit on Suboxone and methadone (SFY 15) – Oppose**

As you know, Maine has had a 24-month limit on MaineCare coverage for methadone and Suboxone treatments since the start of 2013, implemented as a result of a previous supplemental budget. While the consequence of the 24-month limit could have been disastrous for many Maine patients, physicians, substance abuse experts and the state came together to balance clinical best practices with fiscal responsibility and implemented the 2-year limit with
appropriate safety guards for patients. The proposed 6-month limit is contrary to the medical evidence and will not create savings in the long run. The intent of the new limitations is to help the state budget, but the fiscal consequences of such a move include increases in crime rates, illnesses, child neglect and an increased number of premature births, which are all anticipated to be far more costly than medications. As Maine struggles to address the opiate addiction epidemic and reduce the number of babies born addicted to illegal substances, this proposal moves the state in exactly the wrong direction. The MMA strongly opposes undermining the work done over the past several years to reach a balance between providing treatment for those seeking to recover from their drug addiction and the fiscal realities of a state budget.

Thank you for considering our positions on the budget proposals. I am happy to answer any questions you may have.