



Dan Demeritt  
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### **Testimony Opposed to LD 210**

An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026, and June 30, 2027  
February 12, 2025

Senator Rotundo, Representative Gattine, and Members of the Appropriations and Financial Affairs Committee:

Senator Ingwersen, Representative Meyer, and Members of the Health and Human Services Committee:

My name is Dan Demeritt, the Executive Director of the Maine Association of Health Plans. Insurance coverages offered or administered by our member plans provide access to care and better outcomes for many of the Mainers who receive coverage through an employer plan or the individual market. Our mission as an association is to improve the health of Maine people by promoting affordable, safe, and coordinated health care.

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The Maine Association of Health Plans is concerned that provisions included in the LD 210 will increase the cost of health care in Maine and health insurance premiums for the employers who purchase coverage and the nearly 700,000 Mainers covered with private health insurance.

We would also suggest that the policy priorities of the new federal administration should give the Legislature reasons to question the viability of new “tax and match” initiatives.

We are particularly concerned about:

#### **Part SS: \$0.70 Per Pharmacy Prescription Assessment**

Prescription drug spending is driving the costs of health care higher for all Mainers. We are concerned that the \$0.70 assessment on outpatient pharmacy prescriptions will ultimately be passed on to consumers and the employers contributing to the cost of coverage.

#### **Part TT: 6% Tax on Ambulance Services**

The 6% ambulance tax on private ambulance providers would be credited to the Department of Health and Human Services to be used for MaineCare provider payments. We are concerned that the burden of this tax will be passed on to patients with private health insurance.

Many communities in our rural state are struggling to maintain their access to Emergency Medical Services, creating cost pressures throughout our healthcare system. Separate legislation will be considered in the 132<sup>nd</sup> Legislature seeking to increase the statutory defined reimbursement rates for both MaineCare and for fully insured commercial insurance.

The reimbursement rates for EMS services paid by self-funded insurance plans are set through negotiations between payers and providers. It is likely that providers will seek to increase their rates in response to this tax.

Nearly 290,000 Mainers are covered through a fully-insured health plan subject to Maine regulation. Approximately 405,000 Mainers receive coverage through a self-funded plan.

We urge the Committee to strike Parts SS and TT from the bill. Thank you for your consideration.