

Alan Minthorn
Saco
LD 1053

HCIFS Committee Chairs and Members:

LD1053 is a second session effort to reduce costs of Prescription Drugs for Maine residents. HOWEVER; by forcing PBM discounts to the cash register it prevents these funds from carrier use to offset a specific cost contributor. The similar bill last session enjoyed cost increase estimate of 6-7%.

Nationally, Medicare Part D tried similar language a few years back and plan costs went up over 5%. Carriers no longer had access to a revenue stream they could direct to reduce a specific outlier cost in a given year.

The national political climate at best discourages, and at worst disparages, the expertise of insurance carriers. Taking this revenue stream away from carriers will prevent them from spot offsets allowing them to hold overall plan costs. As an agent appointed to over a dozen carriers, and knowing the uncertainty of Federal resources, now is not the time to add to their burden.

Thank you for your time and consideration.