



Testimony of Bill Whitmore, MaineHealth
In Opposition to LD 1152
“An Act to Expand the Right to Shop for Health Care Services”
April 8, 2025

Senator Bailey, Representative Mathieson, and distinguished members of the Health Coverage, Insurance and Financial Services Committee, I am Bill Whitmore, Vice President of Business Transformation for MaineHealth, and I am here to testify in opposition to LD 1152, “An Act to Expand the Right to Shop for Health Care Services.”

MaineHealth is an integrated non-profit health care system that provides a continuum of health care services to communities throughout Maine and New Hampshire. Every day, our over 24,000 care team members support our vision of “Working Together so Our Communities are the Healthiest in America” by providing a range of services from primary and specialty physician services to a continuum of behavioral health care services, community and tertiary hospital care, home health care and a lab.

This bill would expand a law that has proven wholly ineffective in meeting its original goal to improve the affordability of health care for Maine people enrolled in small group health insurance plans. The premise for the law was that the carriers’ contracted provider networks – which are designed to ensure that members have access to quality providers – are decreasing competition. The law suggests that if people are provided with incentives to “shop” for health care services outside of their carrier’s network, they will access less costly services.

As the attached report from the Bureau of Insurance indicates, the small group market use of services eligible for these incentives was 72,511 in 2023. Of those 72,511 services, 68 received incentives allowed by the law, for a total of \$2,360. Clearly, this experiment has not achieved its goals.

This bill would expand the current law to include HMO plans. HMO plans are designed – and priced – to support whole person care for their members. If a member is provided with a financial incentive to seek care outside of their network, it would disrupt the continuity of provider care intended to be supported by HMO plans and, thus, be antithetical to their very premise. In addition, members with HMO plans are not eligible for Health Savings Accounts, so it is unclear what legal vehicle a carrier might use to provide the incentives required in the bill.

This bill would also expand the law to cover surgical procedures, and it would repeal the geographic boundaries and participation requirements for “out-of-network provider” included in the current statute. The 128th Legislature intentionally required that out-of-network providers must participate in Medicaid and Medicare as well. This existing requirement prevents patients

from being incentivized to use providers whose costs are artificially low based on a limited payer mix.

If successful in its goal to have members seek care from low-cost providers who are not enrolled in the carrier's network, nor in Medicaid or Medicare, this bill could see patients obtaining care from fringe, cash-only providers whose poor-quality care results in increased cost to the patients and carrier in the long run. All too often, we have seen patients land in our hospitals having received uncoordinated and poor-quality care from ancillary providers and clinicians. One hospitalization might cost more than all of the 2023 incentives combined.

We agree that affordability of health care is a challenge in need of solutions. But this bill is not a solution. Health care does not operate as a free market, and efforts to improve the affordability of care should be grounded in the premise that quality of and access to care are foundations upon which affordability must be built. The results of the current law clearly suggest that the premise that patients should be incentivized to shop for lower cost care is flawed. We stand prepared to work with the Committee and other stakeholders to seek ways to improve the cost of health care. But this bill is not a viable solution, and we ask that you vote "ought not to pass."

Thank you, and I would be happy to answer questions.