



Testimony in Support of LD 2196, An Act to Lower Health Insurance Costs, Reduce Barriers to Health Care and Ensure Fair Prices for Health Care

**Submitted to the Joint Standing Committee on Health and Human Services
Submitted by Jen Hughes, Director of People & Culture, Systems Engineering**

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

Thank you for the opportunity to submit testimony in support of LD 2196, An Act to Lower Health Insurance Costs, Reduce Barriers to Health Care and Ensure Fair Prices for Health Care. I serve as the Director of People & Culture for Systems Engineering, an IT & Cybersecurity firm headquartered in Portland, Maine, employing approximately 170 people. I am writing in strong support of LD 2196 from the perspective of a Maine employer committed to providing high-quality, affordable health coverage to our workforce.

Health insurance is one of the largest and fastest-growing expenses in our operating budget. Like many small and mid-sized Maine employers, we absorb significant annual premium increases that consistently outpace general inflation. In 2025, we got a 7.6% increase on our premiums, and a 9.6% increase for 2026. We have done our best to actively manage our costs and keep healthcare premiums reasonable, but despite these efforts, premiums continue to increase at a staggering pace.

To date, Systems Engineering has absorbed most of these premium increases, but employees are not immune to the rising costs. Several of our employees have had to borrow from their 401k accounts – vehicles designed to build long-term savings for the future – to pay for exorbitant hospital bills. It's heartbreaking to see our workforce struggle like this, and employers feel the impact of this with a stressed out, struggling, and anxious workforce. In addition to the impact on employees and their families, these increases limit our ability to invest in competitive compensation, workforce development, innovation, and long-term growth. LD 2196 addresses one of the primary drivers of those rising premiums: unchecked hospital price growth.

By aligning hospital price growth with a transparent benchmark and limiting excessive charges relative to Medicare rates, this bill introduces predictability into a system that has become increasingly volatile and unsustainable for employers. Cost containment and predictability are essential for responsible budgeting. When employers can better anticipate healthcare cost trends, we can make more confident commitments to hiring, workforce retention, compensation growth, and long-term workforce planning.

Rising healthcare costs reduce both take-home pay and long-term financial returns. Policies that promote fair pricing and transparency directly support the financial wellbeing of Maine's working families. LD 2196 represents a thoughtful, structural approach to healthcare cost containment. It recognizes that sustainable workforce growth and economic development depend on a healthcare system that is transparent, predictable, and aligned with the realities facing Maine employers and working families. I respectfully urge the Committee to support LD 2196. Maine's small and mid-sized employers need meaningful solutions that strengthen both our workforce and our ability to provide competitive, sustainable benefits.

Thank you for your consideration.

Respectfully,

Jen Hughes, Director, People & Culture, Systems Engineering