

**Testimony of Beth White  
Maine Service Employees Association, SEIU Local 1989**

**Before the Joint Standing Committee on Health and Human Services  
1pm Thursday, March 5, 2026**

**In Support of LD 2196, An Act to Lower Health Insurance Costs, Reduce Barriers to Health Care and Ensure Fair Prices for Health Care, sponsored by Representative Drew Gattine**

Representative Meyer, Senator Ingwersen, and honorable members of the Joint Standing Committee on Health and Human Services. I'm Beth White, Director of Politics and Legislation for the Maine Service Employees Association, Local 1989 of the Service Employees International Union. We're a labor union representing over 13,000 Maine workers, both active and retired, including workers in all three branches of state government. I submit this 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.

Currently, the state group health plan covers roughly 28,000 covered lives (about 25,000 active state employees and 1,527 non-Medicare retirees).

MSEA is providing this testimony in support of LD 2196 in an effort to address the rising costs of health care and health insurance in Maine. For members of the Committee who are not familiar with how the state employee's health plan functions, it is administered by a Commission representing various state employee entities. The plan's ability to increase premiums to cover cost is limited by Maine statute; that restricts annual premium increases not to exceed the consumer price index plus 3%.

The plan experienced a 15% increase in 2024 and has projected plan-year increases through 2026. Given the current limits on premium increases, the commission's ability to raise premiums to match actual claims experience has been difficult. When projected cost increases exceed the statutory cap, the commission must change plan design (higher deductibles, co-pays, out-of-pocket maximums), which has been the case over the course of the last several years. The commission has recently pursued legislation to raise the statutory premium cap that applies to the plan given our members prefer a gradual premium increase over sudden plan-design changes. MSEA-SEIU Local 1989 testified in support of that proposed legislation.

This is all to say that something needs to be done to address rising health care costs in Maine. We believe this bill takes a modest but important step in doing so and hope you will support it. Thank you.