



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES
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*Testimony of Anya Trundy, Chief of Legislative and Strategic Operations
Department of Administrative and Financial Services
testifying neither for nor against*

LD 591, An Act to Require the State to Pay Medicare Premiums for Certain Retired State Employees

Sponsored by Sen. Hickman
Before the Joint Standing Committee on Labor and Housing

Senator Tipping, Representative Roeder, and members of the Joint Standing Committee on Labor and Housing, I am Anya Trundy, Chief of Legislative and Strategic Operations for the Department of Administrative and Financial Services. I am providing testimony today neither for nor against LD 591.

DAFS fully recognizes that health insurance coverage is a major expense in most people's personal budgets, its continually rising cost places increasing strain on lower and fixed incomes, and it is often a key deciding factor in where people work and when they retire. Furthermore, Medicare in particular, is confusing and difficult to navigate, and many people are unpleasantly surprised to learn of the monthly premium for Medicare Part B coverage.

DAFS's understanding is that LD 591's intent is to address the issue of pre-1986 state employees who wouldn't have contributed to Medicare during their working years and had an expectation based upon when first employed by the state that their health insurance premiums in retirement would be covered in full by the state, but who in retirement have been determined Medicare eligible via a spouse and are paying a monthly premium for Medicare Part B coverage. This is a narrower issue pertaining to a subset of the population encompassed by LD 111 that this committee heard last month. DAFS would encourage the Committee to work LD 591 concurrent with LD 111.

Furthermore, if that is indeed the intent of LD 591, the primary challenge of the bill may be identifying the population of state retirees to whom the bill would apply because determination of their Medicare eligibility is based upon their unique personal circumstances and information unavailable to the State.

Thank you for this opportunity to testify. I am happy to try to answer questions from the committee