

February 12, 2025

The Honorable Margaret Rotundo, Senate Chair
The Honorable Drew Gattine, House Chair
Joint Standing Committee on Appropriations and Financial Affairs
The Honorable Henry Ingwersen, Senate Chair
The Honorable Michele Meyer, House Chair
Joint Standing Committee on Health and Human Services
100 State House Station
Augusta, Maine 04333-0100

Re: L.D. 210, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027

Dear Senator Rotundo, Representative Gattine and members of the Joint Standing Committee on Appropriations Financial Affairs and Senator Ingwersen, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services:

I apologize that I could not appear before you in person this morning but on behalf of Anthem Blue Cross and Blue Shield in Maine, I would like to take this opportunity to share our concerns with respect to Parts SS and TT of L.D. 210, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027.

## Part SS

Part SS proposes to impose an assessment of \$0.70 on every outpatient pharmacy prescription filled, refilled, or dispensed at a pharmacy location in Maine. We are very concerned that this

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cost will be passed on to our members and customers who are already struggling with the high cost of health care in general and prescription drugs in particular, or to health plans, increasing health insurance premiums for both employers and members.

While the stated intent is that this provision will be revenue neutral because dispensing fees under the MaineCare program will be increased, it seemed unlikely that this assessment will not be passed on to pharmacy customers because it will not be revenue neutral to individual pharmacies, all of whom will pay the assessment on all prescriptions filled but the recovery of those funds through increased dispensing fees will be dependent on the number of MaineCare customers for whom prescriptions are filled.

## Part TT

Part TT would implement a tax of 6% on the net operating revenue of certain ambulance service providers. As with Part SS, we are concerned that this assessment will be passed on to consumers and payers because while the proposal may be revenue neutral to the State, it will not necessarily be revenue neutral to the individual companies that tax.

We are extremely concerned that these assessments and taxes will be passed on to customers or health plans. Absent language that would prohibit the assessment and tax from being passed on to customers and payers, there is nothing to stop that from occurring. As a result, we suggest that Parts SS and TT be excluded from the budget. If those provisions are retained, we strongly suggest that language be included to expressly provide that these assessments and taxes are not to be passed on and charged to purchasers or payers.

Thank you for the opportunity to share these concerns, and please do not hesitate to contact me if you have any questions.

Sincerely,

Kristine M. Ossenfor

Senior Government Relations Director

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