



Dan Demeritt  
Executive Director

P.O. Box 193  
Orono, Maine 04473  
Tel: (207) 852-2087  
Email: dan.demeritt@meahp.com

**Testimony In Support of LD 520**  
**An Act to Ensure Choices in Health Insurance Markets by Modifying the**  
**Provisions of Law Governing Clear Choice Design Health Plans**  
**February 27, 2025**

Senator Bailey, Representative Mathieson, and Members of the Health Coverage, Insurance, and Financial Services Committee

My name is Dan Demeritt, the Executive Director of the Maine Association of Health Plans. Insurance coverages offered or administered by our member plans provide access to care and better outcomes for many of the Mainers who receive coverage through an employer plan or the individual market. Our mission as an association is to improve the health of Maine people by promoting affordable, safe, and coordinated health care.

---

The Maine Association of Health Plans supports LD 520 as a reform that will improve innovation and choice in Maine's health insurance markets.

**Reducing Administrative Costs**

Current law requires carriers operating within the pooled market to develop the same plans for both individuals and small groups but those plans do not necessarily have to be marketed across both market segments.<sup>1</sup> Requiring carriers to develop duplicate plans that will never be sold creates unnecessary administrative costs and burdens.

LD 520 removes this costly and burdensome requirement.

**Innovation and Choice in Health Coverage**

In a drive for standardization the Made for Maine Health Improvement Act limits to just three the number of alternative plan designs that carriers can develop and offer in the pooled individual and small group marketplace.

---

<sup>1</sup> Maine Bureau of Insurance, Rule Chapter 856, Section 5(1) Accessed 2/24/25:  
<https://www.maine.gov/sos/cec/rules/02/chaps02.htm#031>

LD 520 will allow carriers to offer up to 3 alternate plans for individuals and up to 3 alternative plans for small groups.

However, employers seeking to include health coverage as a workplace benefit and individuals shopping for themselves and their families can have substantially different needs. We recommend eliminating standardized plan design options for the small group market. Small employers vary in size, industry and employee demographics. Employers would benefit from having more options to consider as they choose health insurance options for their employees.

### **Timely Publication of final Plan Designs – January 31 Requirement**

In December of 2024, the Bureau of Insurance released its Clear Choice Plans 2026 Proposal for stakeholder input. Those plans were expected to be finalized this month.

The timely release of Clear Choice Plans is essential to the work that plans must do to complete their analysis and build products for the upcoming plan year.

LD 520 would require the Bureau to issue Clear Choice Plan proposals on January 31. As this year suggests, the process of gathering input after a proposal is published takes months to complete.

We urge the Committee to amend the legislation and make the January 31 deadline apply to the final plan designs.

Thank you for your consideration. We urge a vote of Ought to Pass on LD 520.