Maine People's Alliance

Testimony in support:
LD 1301, "An Act to Prohibit the Use of Artificial Intelligence in the Denial of Health Insurance Claims"
Joint Standing Committee on Health Coverage, Insurance and Financial Services
April 8, 2025

Senator Bailey, Representative Mathieson, and members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, my name is Laura Harper. I live in Hallowell and am a Senior Associate at Moose Ridge Associates. Today I'm testifying in support of LD 1301, "An Act to Prohibit the Use of Artificial Intelligence in the Denial of Health Insurance Claims" on behalf of my client, Maine People's Alliance (MPA.)

The mission of MPA is to create a world where everyone has what they need, contributes what they can, and no one is left behind. With more than 32,000 members across Maine, we are the state's largest community action organization. Over the past four decades, MPA has worked to build a powerful statewide grassroots movement for progressive social change, serving as a leader in state campaigns for expanded health care access, toxics use reduction, affordable housing, universal home care, clean elections reform, racial justice, immigrant rights, a higher minimum wage and tax fairness. We are dedicated to providing Maine people with the tools, knowledge, skills and opportunity to become involved in the decision-making processes that affect their lives.

It comes as no surprise that our members are in strong support of policies that increase access to quality and affordable healthcare, like LD 1301. One of the core problems with our country's health care system is the tight control health insurance companies have over our medical care, from what treatments we can afford, the high cost of prescription drugs, to the tangled web of bureaucracy our healthcare clinicians have to navigate to help ensure coverage. Health insurance isn't designed to be consumer or clinician-friendly; it is profit-driven. This conflict of interests, the incentive for health insurance companies to limit coverage for health care services consumers need in order to spend less and profit more, is at odds with basic human values. Our members feel strongly that health care is a basic human right.

LD 1301 puts guardrails in place for when health insurance companies use artificial intelligence (AI) when making claims determinations. AI is advancing rapidly and has the potential to improve access to quality health care for patients, as well as relieve administrative burdens for clinicians. But if left unregulated, AI also has the potential to deepen health disparities by further systemizing bias and discrimination especially when it comes to use by health insurance companies for the purpose of utilization management decisions. AI can learn from the data it receives and if that data is incomplete or influenced by bias, the outcome generated reflects that bias, contributing to discriminatory systems.

Furthermore, without legal and regulatory checks and balances, algorithms can override the expertise of prescribing clinicians and leave patients stuck navigating a black hole of red tape when they need care, sometimes urgently. LD 1301 strikes the right balance, ensuring medical review and utilization review determinations using AI are based on the person's medical history, can't directly or indirectly discriminate against the person, are fair and equitably applied and, are open to inspection with the use of AI disclosed. A clinician is involved in the process when claims are denied, delayed or health care services are modified. Additionally, that clinician must be in the same or similar specialty as typically manages the medical condition, and can not be paid by the health insurance company. Remember the conflict of interest above - health care consumers must have at least a fair shot at enjoying the coverage their insurance plan purports to provide. We must make sure AI doesn't tip the scales further against the consumer.

MPA urges lawmakers to take action to address access and affordability for health care consumers. LD 1301 is an important step in ensuring health insurance companies use AI technology appropriately, and not to more quickly and uniformly deny claims. Please vote "ought to pass" on this bill. Thank you for your time today and I'm happy to try and answer any questions you have.