

*132nd Legislature*  
***Senate  
of Maine***  
*Senate District 31*

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*Testimony of Senator Donna Bailey introducing*  
**LD 1713, An Act to Prohibit Certain Provisions in Health Care Provider  
Contracts with Insurance Carriers**

*Before the Joint Standing Committee on Health Coverage, Insurance and Financial Services*  
*Tuesday, April 29, 2025*

Representative Mathieson and Esteemed Colleagues on the Joint Standing Committee on Health Coverage, Insurance and Financial Services, as you know, my name is Donna Bailey, and I proudly represent Senate District 31, which includes Buxton, Old Orchard Beach, and Saco. Today I am pleased to introduce my bill LD 1713, “**An Act to Prohibit Certain Provisions in Health Care Provider Contracts with Insurance Carriers.**”

LD 1713 seeks to protect Maine consumers by prohibiting the contracts between providers and carriers from containing the following provisions:

- **Anti-Steering Clauses**—clauses that restrict the ability of a health plan to direct or steer enrollees to certain providers;
- **Anti-Tiering Clauses**—clauses that restrict the ability of a health plan to offer a tiered network plan or assign providers to a particular network; and
- **All-or-Nothing Clauses**—provisions that require a health plan to include all members of a provider in a network plan, to contract with all affiliates of a provider, or agree to payment rates for a provider that is not a party to the contract.

Large health systems with a significant market share can leverage that presence in negotiations with carriers because the insurer must meet network adequacy requirements and often cannot afford to have the provider go out of network. These anti-competitive contract provisions can result in higher prices at all affiliated providers, resulting in higher costs for patients, employers and the State.

In Maine, we have two large health systems that, on a combined basis, own over half of the hospitals in Maine as well as many professional practices. This consolidation of providers can give the systems significant market power, particularly given the fact that insurers must maintain an adequate network.

LD 1713 preserves the ability of employers and health plans to decide which providers, particularly providers in large systems, should be included in a network and in which tier, a provider should be placed.

It also allows employers and health plans with the ability to steer members to higher value providers. This helps to protect smaller and independent providers who do not wield the same leverage and market power as larger providers and health care systems. This is particularly important in a consolidated provider environment.

This legislation is based on model legislation developed by the National Academy for State Health Policy. Several states, including Massachusetts, Nevada, Texas and Connecticut, have already taken steps to prohibit these provisions.

While we cannot reverse the consolidation that already exists in Maine, this legislation is an important step in protecting health care consumers from higher costs.

I thank the Committee for its time, and I would be happy to answer any questions.

A handwritten signature in black ink, appearing to read 'Donna Bailey', with a stylized, flowing script.

**Donna Bailey**  
State Senator, Senate District 31  
*Buxton, Old Orchard Beach, and Saco*