



May 7, 2025

**Testimony in Support of
L.D. 1402**

**An Act to Convene a Stakeholder Group to Determine Methods of Ensuring the Long-term
Solvency of the Maine Guaranteed Access Reinsurance Association**

Good afternoon, Senator Bailey, Representative Mathieson and Distinguished Members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services. My name is Chris Howard and I am providing this testimony on behalf of the Maine Guaranteed Access Reinsurance Association (“MGARA”) Board. The Board is offering these comments in its continuing practice of serving as a resource to the Committee on matters involving MGARA.

L.D. 1402 is one of several bills that have been submitted this session regarding MGARA. Over the last several months, MGARA has been working together with the Superintendent and his staff on an analysis of the role MGARA plays in helping to reduce health insurance costs in the Individual and Small Group markets, and how best to enhance the value MGARA brings to those markets. As you may recall, we then came before this committee in March to discuss MGARA’s history, current status, and a variety of potential changes to enhance MGARA’s vibrancy going forward into the future.

Consistent with those discussions, MGARA is highly supportive of the proposal set forth in L.D. 1402 and looks forward to working with the stakeholder group to discuss methods to ensure MGARA’s long-term value. The only change that we would recommend to the legislation is to replace the word “solvency” with the word “value” throughout the bill. MGARA will remain solvent, so that is not the real issue here. Rather, the discussion is about ensuring MGARA’s value to the marketplace on an ongoing basis.

Thank you, and I will be available for the work session.