

Diane Bailey
FARMINGDALE
LD 1773

May 8, 2023

Senator Joseph Rafferty, Chair
Representative Michael Brennan, Chair
Committee on Education and Cultural Affairs
c/o Legislative Information Office
100 State House Station
Augusta, ME 04333

RE: LD 1773, An Act to Increase the State's Share of the Cost of Health Insurance for Retired Teachers

Dear Senator Rafferty, Representative Brennan and Members of the Committee:
This letter is to provide information and support for LD 1773 which would require the State commencing July 1, 2023 to pay more toward the retired educator's share of premium for the group health insurance plan.

Presently, a retired educator is required to pay 45% of the monthly premium in addition to paying for Medicare Part B in order to remain a member of the group health insurance plan. This means that for single coverage the total monthly retiree cost is about \$389 or \$4,680 annually. This dollar amount places a significant financial burden on retired educators.

Increasing the State's share toward the monthly premium payment would greatly assist public service retirees with being able to remain on the group health insurance plan instead of having to decide whether to move to an individual Medicare plan due costs. Additionally, this LD provides a reasonable funding mechanism which would allow the State to pay more for public service retirees' benefits.

Many dedicated public service employees did not receive adequate wages but were told at retirement they would be somewhat compensated in receipt of retiree benefits. LD 1773 does not fully address increases in monthly insurance premium costs but this bill would be an appreciated step toward alleviating some of the financial burden. Thank you for your consideration.

Sincerely,

Diane M. Bailey
Executive Director
Maine Association of Retirees