



**Testimony of Harvard Pilgrim Health Care  
To the Joint Committee on Health Coverage, Insurance and Financial Services**

**In Support Of  
LD 443 An Act to Ensure Choices in Health Insurance Markets**

**February 25th, 2021**

Senator Sanborn, Representative Tepler, Members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, thank you for the opportunity to submit testimony regarding Clear Choice Plan designs enacted by PL 653.

Harvard Pilgrim Health Care supports LD 443 which proposes to limit Clear Choice products to the individual market on-exchange and to allow more alternative products to be offered off-exchange by removing “up to 3” language in Title 24-A, Ch. 34-B, §2793, 4.

Harvard Pilgrim Health Care has long been a consumer-focused plan, we believe our products offer the best benefits on the market and we use innovations to provide great value alongside that. We’re concerned that limited opportunity to offer alternatives to Clear Choice plans will prevent carrier innovation through new product offerings while maintaining robust market competition. With only three alternative product designs allowed, carriers are likely to offer popular existing designs as the alternatives and be dissuaded from trying new, innovative products.

Limiting Clear Choice products to the on-exchange individual market where individuals most often make plan decisions on their own may simplify some aspects of comparative research. However, small businesses often work with well informed and experienced brokers who can assist the business in choosing benefits crafted to their business and staff needs. We’re concerned that limited Clear Choice plan designs incent more small groups to seek small group self-insured, or stop loss, options that are outside of the community rated Affordable Care Act market. We view these plans as discriminatory based on the ability to rate based on individual group health status.

We appreciate the effort to address issues intended to benefit consumers; we share that goal. Harvard Pilgrim Health Care maintains that the balance between affordability and simplicity has no simple answers, and we hope that the Committee consider a phased approach into standardized plans by limited such plans to on-exchange individual market. This will allow for review and analysis of impact on consumer benefit. Please reach out for further information, we are happy to answer questions as requested.