



# HOUSE OF REPRESENTATIVES

2 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0002  
(207) 287-1440  
TTY: (207) 287-4469

## **Joshua Morris**

P.O. Box 246  
North Turner, ME 04266  
Phone: (207) 754-7829  
Joshua.Morris@legislature.maine.gov

### **LD 352**

#### **An Act To Maintain the Individual and Small Group Health Insurance Markets**

Senator Sanborn, Representative Tepler, fellow distinguished members of the joint standing committee on Health Care, Insurance, and Financial Services, as you know I am Representative Joshua Morris from Turner. I am here today to introduce LD 352 “An Act To Maintain the Individual and Small Group Health Insurance Markets.”

This bill proposes the removal of the pooled market provisions contained in LD 2007, which this Committee passed unanimously last year. At that time, there was skepticism among some of us about the merging the individual and small group markets. The committee decided to have actuarial analysis completed to determine if merging the markets makes sense.

To protect against unintended consequences, language was carefully included in the law setting certain pre-conditions for a merger including that “both average individual premium rates and average small group premium rates would be the same or lower than they would have been” absent a pooled market.

We now know, based on actuarial analyses performed at the direction of the Bureau of Insurance and the Maine Guaranteed Access Reinsurance Association, that this pre-condition has not been met. Specifically, the Gorman Report shows that individual market average premiums will increase 4% from \$587 per month absent a merger to \$610 per month with a merger.

Given this finding, pooling the markets does not make sense. Maine can ill afford to raise premium rates for people purchasing health insurance, particularly those in the

individual market who tend to buy insurance because they need it. This bill simply codifies in law that merging the markets does not make sense and should not go forward.

Thank you for your consideration of this bill.