



**Testimony of Kate Ende, Policy Director
Consumers for Affordable Health Care**

**In Support of LD 631, An Act To Provide Funding for Maine's Health Insurance
Consumer Assistance Program**

Senator Sanborn, Representative Tepler and esteemed members of the Health Coverage, Insurance and Financial Services Committee, thank you for the opportunity to submit these comments in support of LD 631, An Act To Provide Funding for Maine's Health Insurance Consumer Assistance Program. I also want to thank Senator Brenner for introducing this bill.

My name is Kate Ende and I am the policy director at Consumers for Affordable Health Care (CAHC), a nonpartisan, nonprofit organization that advocates for Maine people to be heard, respected, and well-served in a health system that provides coverage, access and quality, affordable care to all.

As designated by Maine's Attorney General, CAHC serves as Maine's Consumer Assistance Program for health insurance and as such, we operate a toll-free confidential HelpLine staffed by trained experts in eligibility and enrollment in private and public health insurance coverage. We answer questions about eligibility, help people apply for and enroll in health coverage, including private Marketplace health plans, and assist with other issues regarding insurance and accessing care, including helping people file complaints and appeal coverage denials. It is our experience assisting Mainers in navigating the health care and coverage systems that drives our support for this bill today.

Section 1002 of the Affordable Care Act (ACA) established Consumer Assistance Programs (CAPs) to help people enroll in and use their health insurance effectively. The Maine Attorney General and the Maine Superintendent designated Consumers for Affordable Health Care as the Maine Health Insurance Consumer Assistance Program with the support of a federal grant from the U.S. Department of Health and Human Services in 2010. Maine's CAP offers toll-free and face-to-face assistance to Mainers who need help enrolling in coverage or assistance with other insurance issues, such as appealing a denial of coverage. Explanation of Benefit notices sent by carriers to enrollees in Maine include the contact information for the CAP, so that enrollees may contact the CAP for assistance appealing a denied claim. However, federal funding has not been available to support this work since 2016.

CAHC continued to provide CAP services to individuals, such as helping people enroll in coverage and resolve issues with their health insurance, even after the federal funding ended. However, without funding, Maine's CAP operated with reduced staffing that limited capacity to provide assistance to individuals seeking help with private insurance issues, such as appeals.

CAPs continue to operate without federal funding in more than 30 states, many of which are supported by state funding.¹ In 2019, Maine’s Legislature passed [LD 1274](#), An Act To Enact the Health Insurance Consumer Assistance Program, which required the Attorney General to contract with a nonprofit, independent health insurance consumer assistance entity, that is not an insurer, to operate the consumer assistance program. The legislation included funding for the CAP for the 19-20 and 20-21 fiscal years through a transfer of available Other Special Revenue Funds balances from the Department of Professional and Financial Regulation to the Department of the Attorney General. LD 631 would continue this funding and help ensure that Maine people have access to the assistance they need to enroll in coverage and get the most out of their health plans.

A recent analysis by Kaiser Family Foundation of transparency data for Marketplace plans in states using the federal [healthcare.gov](#) platform, found that 17.4% of all in-network claims were denied by issuers in 2019. However, some states had higher average percentages of denied claims, including Maine. One carrier in Maine denied more than 40% of in-network claims that were submitted. Other key findings from the report include:

- Fewer than 1% of in-network claims denied by all carriers were reported to have been denied on the basis of medical necessity.
- Nearly 10% of in-network claims were denied because the individual did not get the proper referral or preauthorization for the service.
- Only 0.2% of denied in-network claims were appealed.
- When consumers did file internal appeals to their health plan, about 40% of denials that were appealed were overturned. One carrier in Maine overturned as many as 69% of denials for claims that were appealed internally.²

Although denials, if appealed, are frequently reversed in the consumer’s favor, consumers rarely appeal claim denials to their issuers. Marketplace enrollees appealed less than two-tenths of one percent of denied claims in the KFF analysis. An earlier review by the US Government Accountability Office found similar results for coverage denials that were reversed through appeals.³

Denials of coverage can be devastating— especially for people with serious health conditions and for those who are already struggling to pay high premiums and out-of-pocket costs. The appeals process can be daunting, especially when people are unaware of their rights or have limited knowledge of insurance regulations and requirements. Without timely and professional guidance or assistance, many people are faced with expensive bills they can’t pay, are burdened with over time, or being unnecessarily sent to collections.

¹ <https://www.cms.gov/CCIIO/Resources/Consumer-Assistance-Grants>

² KFF, Claims Denials and Appeals in ACA Marketplace Plans, January 20, 2021, <https://www.kff.org/private-insurance/issue-brief/claims-denials-and-appeals-in-aca-marketplace-plans/>

³ GAO, Private health Insurance, Data on Application and Coverage Denials, March 2011, (<https://www.gao.gov/new.items/d11268.pdf>)

In 2020, the CAP recovered \$128,000 in benefits on behalf of individuals for services that had been denied by their private health plans.

As previously mentioned, the Cap also provides assistance with enrolling in private insurance coverage, including subsidized Marketplace plans. All CAP staff are trained eligibility experts and are certified to provide enrollment assistance through the Marketplace as Certified Application Counselors (CACs).

A KFF survey of individuals ages 18-64 who had coverage through a Marketplace plan or Medicaid or who were uninsured, revealed that nearly one out of five people seek some kind of consumer assistance for help enrolling in coverage. 62% percent of individuals who sought help with enrollment did so, at least in part, because they did not understand their coverage options. Slightly over half also said the enrollment process was too difficult to compete on their own.

Thousands of Maine people have lost their jobs and their employer-based health insurance since the start of the pandemic last year. State funding helped Maine's CAP meet increasing demands for assistance throughout the COVID-19 pandemic. Last year, CAHC's HelpLine fielded over 8,500 calls and emails, a representing a significant increase in HelpLine volume from 2019.

When the pandemic first hit, CAHC took immediate action to educate the public about emergency changes to insurance coverage, as well as health coverage options for individuals losing their employer-based insurance or experiencing changes in income. The CAP worked with the Maine Department of Labor to share information and have CAP staff join several calls laid off workers from large employers such as Pixelle Specialty Solutions in Jay, Tasman Leather Group in Hartland, Penn Gaming in Bangor, Vic Firth Co. in Newport, and Dragon Paper in Oxford. The CAP also hosted online webinars about available coverage options and utilized traditional and social media to share information with the public.

In addition to outreach to individuals, CAP staff also provide trainings and support to navigators, brokers and agents, and other enrollment, social service, and health care professionals.

The CAP HelpLine continues to be busy on a number of fronts helping people who have lost their jobs and employer-based coverage to sort through their options and enroll in public and private coverage. The Biden Administration recently opened a new time-limited Special Enrollment Period, providing people who need health insurance a new opportunity to get covered. Recent legislation passed at the federal level will also expand eligibility and increase subsidies available on the Marketplace. The new law would also provide assistance to individuals to lower the costs of COBRA coverage premiums. These and other measures enacted at the federal level have the potential to make a huge difference for millions of Americans struggling with the economic and health consequences of the pandemic. However, in order to take advantage of these new opportunities, many people will have to navigate enrollment processes and may need to enroll in a new health plan. The availability of consumer assistance is critical to ensuring Maine people are able to take advantage of these new opportunities to enroll in affordable health insurance coverage.

Health insurance is complicated, especially for people who do not have access to health insurance through employment. Eligibility and enrollment in individual health insurance can be a

confusing undertaking – finding a plan that covers the health care services, treatment, and medicine one needs isn't easy. At the same time, most people want to be sure that their doctor and other providers are in-network and the services they need will be covered under their plan. CAPs play a critical role in ensuring that people are able to obtain health insurance and access the benefits they are entitled to under their health plan.⁴

The need for Consumer Assistance Programs is greater than ever given the current public health crisis, widespread loss of employer-sponsored insurance, and rapidly changing health care policies. Please support LD 631 to help ensure services provided by the CAP to help people enrolling in coverage and get the most out of their health plan continue to be available to Maine people.

Enclosed, please find the annual report submitted to the Attorney General on the activities and services provided by the CAP in 2020. Please also do not hesitate to contact me with any questions at kende@mainecahc.org or 207-480-2136.

Thank you.

Kate Ende

⁴<https://www.cms.gov/CCIIO/Resources/Consumer-Assistance-Grants/>