



HOUSE OF REPRESENTATIVES

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Heidi E. Brooks

Testimony introducing LD 1150: An Act To Eliminate Insurance Rating Based on Age, Geographic Location or Smoking History and To Reduce Rate Variability Due to Group Size

Good morning Senator Sanborn, Representative Tepler and members of the Health Coverage, Insurance and Financial Services Committee. My name is Heidi Brooks. I represent House District 61, part of Lewiston and serve along side of my colleagues on this committee.

Maine has been a leader in patient protections with health insurance. As a State, Maine recognized that requiring covering preexisting conditions and not allowing for caps in health insurance were important measures. With the passage of the Patient Protection and Affordable Care Act (PPACA), the States that didn't have these important policies benefited greatly from these measures.

Similarly, the policy of rating patients in health insurance is problematic. Mainers who are older, living in rural parts of the State and have the substance use disorder of smoking can be charged higher rates for health insurance.

Currently, the Patient Protection and Affordable Care Act limits how much more insurance companies can charge older patients to a factor of 3:1 and this committee passed legislation to limit this rating factor to 3:1 last session to ensure this protection in Maine. Rural areas can have up to a 1.5:1 and smoking can also have a 1.5:1 rating factor.

With age and geographic variations in premiums, some of the rate increases can be covered by the subsidies of the PPACA; however, some of our most vulnerable older, rural Mainers are unable to afford coverage. Rating insurance coverage increases for smokers is not covered by PPACA's subsidies, leaving more Mainers out.

Previously, Maine has had problems with this approach, which will be described in more detail by opponents of the bill, where younger, more urban people left the market due to costs.

With many losing health coverage with job loss during the coronavirus crisis, we were fortunate to have MaineCare and the PPACA available to many and open enrollment available.

Thank you for your consideration of this bill.

