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THE MAINE SENATE
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Testimony in Support of LD 120
An Act To Lower Health Care Costs through
the Establishment of the Office of Affordable Health Care

Presented to the Committee on Health Coverage, Insurance & Financial Services
Tuesday, April 13, 2021, 10:00 a.m.

Senator Sanborn, Representative Tepler and members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, my name is Troy Jackson. I serve as President of the Maine Senate and have the great honor of representing Senate District 1, which is made up of the good people of Northern Aroostook County. I am here today to introduce LD 120, "An Act To Lower Health Care Costs through the Establishment of the Office of Affordable Health Care." This bill was heard by your committee last session and was voted out with some amendments but unfortunately died when the legislature adjourned due to the pandemic.

All across the state families sit around the kitchen table each night trying to figure out how to stretch their budget to make ends meet and afford health care. They go over their budgets with a fine-toothed comb and do everything they can to make each dollar count, but it's hard to keep up with the cost of health care. I know this because I hear it from folks daily, and I've been there myself. At some point, we have to stop and say enough is enough.

When I first introduced this bill last year, I heard from a single mother in Kennebec County about how she often resorts to skipping her own care because she never knows how much her son's care will cost. He has significant health needs and without estimates from their provider or insurance company, it's impossible to budget for. No one should have to live like this, yet I know her story is all too common.

At a press conference earlier this year, Susan Kinney of Belgrade shared the challenges her family faces trying to keep her 17-year-old daughter Marissa healthy. Marissa has Crohn's disease. While the Kinneys are doing everything they can to make ends meet so she can focus on being a kid, Susan worries about how Marissa will afford to stay healthy as an adult. It's

heartbreaking, and we need to do better. One in seven Mainers have gone without treatment or care because the costs were just too high.¹

Maine people deserve better than to be held hostage by pharmaceutical and health insurance companies. It's why my colleagues and I have put together the Making Health Care Work for Maine package. This package includes a suite of five bills that work to lower prescription drug costs, improve transparency and ensure that Mainers have access to lifesaving medication. This proposal is a key part of this package.

To truly address the high cost of health care – the health care necessary for Maine people to lead healthy and productive lives – we need to get a handle on what's driving those costs in the first place. We need to understand how the self-insured, Medicare, and Medicaid markets, as well as the uninsured Mainers, affect costs. We also need to ensure that providers are paid fairly for producing good health outcomes.

LD 120 would create the Maine Office of Affordable Health Care. The Office of Affordable Health Care would help us understand the complicated health care system and take meaningful action against high health care costs. It would also give Maine people somewhere to turn when they are dealing with health insurance disputes that the Bureau of Insurance or Maine Consumers for Affordable Health Care aren't equipped to handle.

This bill would also create a council within the Office of Affordable Health Care to carry out the duties and goals of the Office. The council will consist of ten members who will provide input from all aspects of the health care system. Using data already available from the Maine Health Data Organization, the council will examine the factors that contribute to growth in total health care expenditures and make recommendations for strategies to increase the efficiency of the health care system. Instead of becoming frustrated by the fractured system and federal restraints, the council established in this bill will help us understand both what is driving cost growth and how creative, collaborative reforms can ease the financial pressure not only on consumers, but also on small businesses, self-insured businesses, insurance companies and medical providers who are working at odds to protect their interests.

There's no doubt that health care is complicated. It's why politicians have often thrown up their hands in frustration, but I believe that Maine people deserve a health care system that works for them. They deserve lawmakers who fight for them and deliver for their families. And that's

¹ <https://maineallcare.org/wp-content/uploads/2019/12/Assessing-the-Costs-and-Impacts-of-State-Level-Universal-Health-Care-in-Maine.pdf>

exactly what we're going to do in Maine – we are going to do everything we can to rein in prices and ensure that Maine families can get the care they need without going bankrupt.

As with most health care proposals, you are going to hear from people who benefit from the current health care system. They are going to tell you that the sky is falling but we know that's just not the case. Last session, we passed a suite of prescription drug reform bills and legislation to address abusive medical bills and average insurance rates only went down.²

Not to mention other states are already seeing the benefits of similar bills. Massachusetts, Maryland, Oregon, Vermont, and Pennsylvania all have bodies charged with monitoring health care spending. And Governors Raimondo in Rhode Island³, Lamont in Connecticut⁴, and Carney in Delaware⁵ have all introduced health care cost growth benchmarks in the past few years, which is a system that could develop from the creation of the office that this bill would establish. These states are looking out for their residents and we owe it to Mainers to do the same.

I have been working with the Governor's Office and MaineCare to ensure that the Office of Affordable Healthcare is able to achieve its goals and work seamlessly with other healthcare entities in the state. Based on the feedback I have received, I plan to propose an amendment to this bill that would specify that all committees having jurisdiction over health matters and public paid insurance will be responsible for legislative oversight of the Office. I will also propose that the definitions in this bill align with the Healthcare Payment Learning Action Network's definitions to ensure clarity and consistency. And I will be proposing three additional members for the council, one behavioral health specialist and two academics with backgrounds in health economics and research.

LD 120 is a part of a package of health care bills, including LD 1117, LD 673, LD 675, and LD 686, designed to make health care work for Maine. I look forward to working with all of you to help pass this package of bills into law. Thank you for your time and hard work.

Troy D. Jackson
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Senate District 1

² <https://www.maine.gov/pfr/insurance/press-release.shtml?id=3172927>

³ <https://files.constantcontact.com/572742fa401/4cea8cdb-7832-4fe2-a790-7ac74b45ddda.pdf>

⁴ <https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-5.pdf?la=en>

⁵ <https://governor.delaware.gov/executive-orders/eo25/>