



**MAINE ASSOCIATION
OF
HEALTH PLANS**

**Testimony of Katherine Pelletreau
to the Joint Standing Committee on Health Coverage, Insurance and Financial
Services**

Neither For Nor Against

**LD 120 An Act to Lower Health Care Costs through the Establishment of the Office of
Affordable Health Care**

April 13th, 2021

Good Morning Senator Sanborn, Representative Tepler, Members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services:

My name is Katherine Pelletreau and I am the Executive Director of the Maine Association of Health Plans (MeAHP). MeAHP has five members including Aetna, Anthem Blue Cross and Blue Shield, Cigna, Community Health Options and Harvard Pilgrim Health Care. Collectively, MeAHP's members provide or administer health insurance coverage to over 600,000 Maine people. The organization's mission is to improve the health of Maine people by promoting affordable, safe and coordinated healthcare.

Health Plans are supportive of efforts to understand the underlying cost drivers of health care and health insurance and the complex healthcare dynamics in Maine. For policy makers to act in ways that help contain and restrain health care costs and improve quality outcomes, a deeper dive into the data of the various stakeholders will be helpful.

We appreciate that the intent appears to be for the Office of Affordable Health Care to do its analysis from existing data sources. This is especially important as the health plans currently utilize a significant portion of resources to provide required data to these existing entities. We would caution that requiring additional data from the plans has implications from a resource perspective and request that anything beyond the existing sources be considered carefully and deliberately before imposing additional requirements on the plans. Additionally, we would note that carriers already pay fees to support MHDO operations as well as incur the cost of providing claims data.

We would hope that any further expansion of data collection and analysis by the state be supported by an appropriate/corresponding state appropriation. Any new costs to the Plans will ultimately be supported through premiums and become part of the overall cost of healthcare.

We caution against duplication of effort between the Maine Quality Forum, Maine Health Data Organization, and this new entity. For example, as discussed in the 2021 Annual Report on Primary Care Spending¹ produced by the Maine Quality Forum, efforts are already underway to assess and understand non-claims-based payments that are not present in the Maine Health Data Organization's all payer claims database (APCD). These efforts are being undertaken with carriers at the table and will ultimately result in additional cost to the plans for the provision of this data. Yet this bill calls for the Office of Affordable Health Care to "monitor the adoption of alternative payment methods". We urge the Committee to avoid duplication of efforts and ensure that data requests are kept to a minimum.

We would also note the reference to a consumer advocacy function on health care matters beyond what is available at the Bureau of Insurance and urge the Committee to consider that there is no similar entity in the state with oversight authority over providers. That absence should be addressed before allocating more resource to functions already performed by the Bureau.

A request for consideration around resource allocation is the timing of the annual public hearing on cost trends. Several of our Plans operate in multiple states, including MA, which conducts a similar annual hearing on or around October 1st. Because of the volume of work required for the hearing and typically done by the same people, it would be helpful not to have the same dates in both states. We would suggest moving Maine's hearing forward by 30 days to no later than November 1st.

The confidentiality provision that protects data provided to the Office is important for the Plans. The nature of competition in the state makes this information sensitive.

The value of the undertaking is seen in greater understanding of the underlying forces driving health care costs in the state. In Massachusetts, this type of effort has enabled more informed policy making as well as materially reduced the rate of increase in costs.

Overall, this is a very significant undertaking that, with appropriate funding and resources, has good potential to help Maine people achieve better health, better care and better value.

Thank you for your consideration of these comments.

¹ [2021 Annual Report on Primary Care Spending](#)