

April 13, 2021

Sen. Sanborn, Rep. Tepler, and honorable members of the Committee on Health Coverage, Insurance and Financial Services:

My name is Kelli Whitlock Burton and I am a resident of Waldoboro and co-leader of Suit Up Maine, an independent, all-volunteer constituent action group representing more than 5,000 Mainers in all 16 counties. I offer this testimony in support of LD 120, An Act To Lower Health Care Costs through the Establishment of the Office of Affordable Health Care.

Too many Mainers have mourned the loss of a loved one who died from a preventable disease that went untreated because they couldn't afford medical care. Too many have rationed insulin or some other life-saving prescription drug because they couldn't pay for the medication and make their rent. Too many have filed for bankruptcy because hospital bills totaling tens of thousands of dollars took everything they had.

That so many people struggle with health care costs is not new information. But events of the past year have brought into sharp relief just how pervasive the problem is, and how much worse it could get. Maine ranked 11th in the nation for health care spending per capita in 2014, with Mainers spending an average of \$9,531 a year on medical care.<sup>1</sup> One analysis suggests that this cost will rise to \$16,000 per capita in Maine by 2026.<sup>2</sup> This would break thousands of Maine families.

Rising health care costs isn't a partisan issue. When prescription medication, doctor's visits, or medical procedures begin to rival the cost of rent or groceries, people of all political stripes are faced with the impossible decision of choosing between health care and feeding and housing their families. Creating an independent, nonpartisan Office of Affordable Health Care to analyze health care spending in Maine is an important step in reigning in health care costs for all Mainers. Before legislators and policymakers can

 <sup>&</sup>lt;sup>1</sup> Health Care Expenditures per Capita by State of Residence, 2014. Kaiser Family Foundation. https://www.kff.org/other/state-indicator/health-spending-per-capita/?currentTimeframe=0&sortModel=%7 B%22colld%22:%22Health%20Spending%20per%20Capita%22,%22sort%22:%22desc%22%7D
<sup>2</sup> Assessing the Costs and Impacts of a State-Level Universal Health Care System in Maine. Maine Center for Economic Policy. December 2019. https://legislature.maine.gov/doc/3626

lower costs, they must first understand where and why those costs are increasing. The Office of Affordable Health Care will analyze medical expenditures and health care spending trends in Maine and in other states, measure the impact of reforms, and provide evidence-based solutions to lower costs while also increasing the quality of medical care available to all Mainers. The office would also create a direct path between Maine consumers and policymakers and ensure consumer voices are heard by allocating a spot on the Advisory Council on Affordable Health Care. And mandated public reporting ensures that the office's findings and recommendations are shared with consumers.

LD 120 is modeled after similar legislation passed in 2012 in Massachusetts that created the Health Policy Commission, which has been cited as a contributor to an estimated \$7.2 billion in health care savings for Massachusetts residents and employers.<sup>3</sup> Finding innovative ways to lower costs, eliminate barriers, increase transparency, and make health care more affordable will have a tremendous impact on the lives of Maine families, strengthening financial security and improving the health of people across the state. These are the overarching goals of LD 120 and other bills in the Making Health Care Work for Maine legislative package. We support the entire package as an important step forward at an important moment in time and urge the committee vote Ought to Pass.

Kelli Whitlock Burton Co-Leader, Suit Up Maine

<sup>&</sup>lt;sup>3</sup> How the Massachusetts Health Policy Commission Is Fostering a Statewide Commitment to Contain Health Care Spending Growth: A Case Study. Waugh, L and McCarthy D. McCarthy. 2020 March 5. https://www.commonwealthfund.org/publications/case-study/2020/mar/massachusetts-health-policy-com mission-spending-growth