



Testimony of Executive Director, Ben Lucas

Testimony in SUPPORT of LD 751: “An Act To Allow Employers To Shop for Competitive Health Plan Options”

April 21st, 2021

Senator Sanborn, Representative Tepler, and members of the Committee on Health Coverage, Insurance and Financial Services, my name is Ben Lucas, I live in Portland, and I serve as the Executive Director of the Maine Jobs Council. The Maine Jobs Council is a new, statewide, nonpartisan, member-driven advocacy organization that advances public policies to support the creation and preservation of foundational jobs in Maine. I am here today to testify in support of LD 751.

Maine’s regulatory and business environments rank among the lowest in the nation. Our overall business ranking is #46 and our overall economic ranking is #37, both are the worst in New England. Maine also lags behind the rest of New England and near the bottom of the nation in capital investment. New Hampshire saw nearly triple the investment as Maine in 2019. The Maine Jobs Council supports legislation that makes Maine more competitive, and we believe LD 751 is a step in that direction. We congratulate Representative Josh Morris for bringing this forward.

One of the reasons for our poor economic ranking is incredibly high healthcare costs. According to the UPenn Leonard Davis Institute of Health Economics, in 2016 Maine ranked #4 in the US for healthcare cost burden comparing average health insurance premiums and deductibles to average income. The research showed that 35% of Maine’s household incomes went to family health premiums. This is by far the highest in New England. Vermont was second at 29.7% and the regional average is 29.2%. LD 751 will help lower healthcare costs, provide options, and increase affordability.

The LD will also provide a significant benefit to Maine's mid-sized employers who oftentimes tend to pay significantly higher health insurance rates than larger ones. Many of our members with Maine Jobs Council are these employers who employ Maine people. They provide critical quality foundational jobs and this legislation could help make them more competitive. Employers benefit when they can shop their health insurance plans to find the best coverage, value, and rates for their employees. That's not possible unless they have the standard underwriting and performance information generated by their own programs.

We thank the committee for taking a more comprehensive look at the bigger picture and seeing how Maine ranks with the rest of New England and how this LD can improve our standing. We urge the committee to pass LD 751.

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