

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

## **Neither For Nor Against**

## LD 751 An Act to Allow Employers To Shop for Competitive Health Plan Options

## April 21st, 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.

This bill requires certain information be shared with employers or another insurer or underwriter, or a contractor or a producer for the purpose of shopping for health insurance.

I have heard a few different views on this bill from our members on whether required reports to facilitate shopping for large groups would be beneficial. Some see more value than others in a proposal like this.

That said, there are several pieces that are widely opposed.

• The lack of privacy protection for individual's personal health information needs to be fixed if this proposal moves forward. At a minimum, language should be added that all shared information must comply with HIPAA and any other privacy regulations.

- The definition of a high-cost claimant as someone whose aggregate claims exceed \$20,000. This seems low to us and we would suggest adjustment to \$50,000. Given today's cost of care, a simple outpatient procedure can easily reach \$20,000 but pose no future risk to the plan.
- Monthly loss ratio reports with medical and pharmacy claims identified individually. We understand the desire to assess and analyze trends but monthly seems more frequent than necessary to do this. We would suggest something less frequent such as quarterly.
- Prognosis information is not something a carrier would have. Primary diagnosis could be available but not prognosis.
- Requiring reports on all precertification requests for hospital stays of 5 days or more is beyond what a carrier would typically provide and seems burdensome.

Thank you for your consideration of these comments.