



March 2, 2022

Joint Standing Committee on Health Coverage, Insurance and Financial Services
Cross Building, Room 220
Augusta, ME 04333

Dear Chair Sanborn, Chair Tepler and members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services,

The Leukemia & Lymphoma Society urges the members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services to **vote ought not to pass on LD 1628.**

At the Leukemia & Lymphoma Society, our mission is to cure leukemia, lymphoma, Hodgkin's disease and myeloma, and to improve the quality of life of patients and their families. LLS exists to find cures and ensure access to treatments for blood cancer patients.

The plans created by this bill would be explicitly removed from oversight or regulation by the state Bureau of Insurance, and exempt from compliance with state laws, rules, and regulations that exist to protect Maine consumers. That includes laws that require insurance carriers to provide coverage for pre-existing conditions, that prohibit carriers from charging higher premiums for individuals with a pre-existing condition, that provide financial safeguards for consumers by limiting out-of-pocket costs, or that require insurance carriers to be appropriately capitalized or to spend the majority of their premium intake on actual benefits for enrollees. Even if somebody with blood cancer was allowed to enroll in one of these plans, they could be forced to pay exorbitant premiums for a plan that would refuse to cover their treatments or medications and subject them to uncontrolled costs for even basic services.

As written, LD 1628 would not impose any limits on who could join an association selling this type of product. Since the only people who are likely to pass medical underwriting and be allowed to enroll in these plans are young and healthy enrollees, allowing their proliferation could lead to erosion or fracturing of the risk pool in Maine. This would result in increased prices for those Maine residents, such as blood cancer survivors, who have no choice but to maintain comprehensive coverage.

Exactly a year ago, 30 patient organizations, including LLS, published a comprehensive report called "Under-covered: How 'Insurance-Like' Products Are Leaving Patients Exposed."¹ This report examined, among other categories of product, the experience of farm bureau plans in the handful of states that had allowed them up to that point. The report confirmed that these products engage in extensive medical underwriting, leading to waiting periods, lockouts, premium spikes, or outright coverage denials for individuals with pre-existing conditions. And by explicitly exempting these plans from *any* state regulation or oversight, as LD 1628 proposes, people in Maine would be left with no recourse, due process, or options if they ended up in a plan that they realized, only too late, left them high and dry when it mattered most.

Over the past several years, Maine has embarked on a series of ambitious, consumer-focused, patient-friendly reforms to make better coverage more affordable to more people. LD 1628 presents a serious step backwards.

For these reasons we ask that you **vote ought not to pass on LD 1628.**

Sincerely,

Ernie Davis
Regional Director, Government Affairs
The Leukemia and Lymphoma Society