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**Testimony of Senator Harold “Trey” Stewart
Presenting L.D. 1628, An Act to Exempt Nonprofit Agricultural Membership
Organizations from Insurance Requirements
Before the Joint Standing Committee on Health Coverage, Insurance and Financial
Services
May 5, 2021**

Senator Sanborn, Representative Tepler and colleagues on the Legislature’s Health Coverage, Insurance and Financial Services Committee: I am Senator Trey Stewart and I have the honor of representing 51 communities in Aroostook and Penobscot Counties. I am before you today to present L.D. 1628, An Act to Exempt Nonprofit Agricultural Membership Organizations from Insurance Requirements.

This legislation would permit a nonprofit agricultural membership organization providing health care benefits to do so for the organization’s members, their dependents, and others. Rather than be insured through a typical insurance company and plan, an agricultural membership such as the Maine Farm Bureau or others would be able to provide this important resource to its members. The passage of this legislation would not require that members of those organizations receive healthcare benefits from that organization, but as paying members they may feel that is a better option for their personal case.

This legislation is modeled off of other states that have successfully allowed membership organizations like Farm Bureaus to provide health coverage to their members. The goal of this legislation is to target those who are working and don’t qualify for any subsidies on the exchange, nor any government plans. At the same time, these people don’t make enough money that providing coverage for their families is affordable given that they typically have a high number of dependents in larger, farm-based families. For these people, they are left without options- until now.

Given the structure of the risk pools of these individuals – typically working-age who are mostly healthy—the cost to insure that risk pool is lower for a group like a farm bureau. They also have the ability to select who is able to be included in the plan, which helps to control costs from high-risk individuals who would be able to access the exchange or other more attractive options regardless. To be absolutely clear, this bill and this type of plan is targeted at insuring the people who have been left out by state government’s past attempts to ensure every Mainer has access to affordable health coverage.

While there may be some resistance because it would no longer be regulated by the Bureau of Insurance, I feel that this is a decision individuals should be able to make. The passage of this legislation would not require that members of those organizations receive healthcare benefits from that organization, but as paying members they may feel that is a better option for their personal case.

The families who this bill would impact are some of the hardest working people that we represent. They show up every day, put in long hours, and want to be able to take care of their families. We should grant them that opportunity by allow for interested groups—some of whom you'll hear from later today—to provide a product that works for them.

Thank you for your time and consideration of this important legislation. I'm happy to answer any questions the committee may have at this time.