



HEALTHCARE  
PURCHASER  
ALLIANCE  
OF MAINE

May 11, 2020

Senator Heather Sanborn, Co-Chair  
Representative Denise Tepler, Co-Chair  
Joint Standing Committee on Health Coverage, Insurance and Financial Services  
100 State House Station  
Augusta, ME 04333

Dear Senator Sanborn, Representative Tepler, and Members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services,

I am writing today in opposition to ***LD 1463, An Act To Make Health Care Coverage More Affordable for Working Families and Small Businesses.***

The HPA is a nonprofit organization led by Maine employers and public trusts whose mission is to advance healthcare value in our state and support and incentivize the use of high-quality, affordable care. We have over 50 members, including some of the largest public and private employers and health trusts in Maine. Collectively, our members spend over \$1 billion annually purchasing health coverage for nearly a quarter of the commercially insured people in the state.

Maine employers and consumers are already facing unsustainable increases in healthcare costs that crowd out spending on other priorities and leave Maine consumers increasingly unable to afford care. Hence, we support Representative Tepler's goal of improving healthcare affordability and welcome policies and strategies that make care more accessible and affordable for all Mainers. But rather than improving affordability, the 2.85 percent premium assessment included in LD 1463 merely shifts costs from one group of healthcare purchasers to another—improving affordability for some, while making health care even more expensive for Maine businesses and their employees. The dollars to cover that 2.85 percent assessment will have to come from somewhere, whether it's deferred wage increases, higher deductibles for employees and their families, increased employee premium contributions, or some other priority.

We would welcome the opportunity to engage with Representative Tepler, members of the committee, and other stakeholders on ways to meaningfully improve affordability for all Maine businesses and consumers, including strategies to reduce unnecessary services and better manage healthcare prices. We believe that the way to address healthcare affordability is to reduce the total amount spent on health care, not to simply redistribute who pays those ever-rising costs.

As LD 1463 moves through the legislative process, we hope that the committee will consider the impact that this 2.85 percent assessment would have on Maine businesses that are struggling to provide health insurance for their employees, as well as on employees who continue to see their premium contributions, deductibles, and copays rise. Further increasing their costs is not the solution to healthcare affordability in Maine.



HEALTHCARE  
PURCHASER  
ALLIANCE  
OF MAINE

Thank you for the opportunity to share our feedback on LD 1463. Please let me know if you have any questions or if I can be of further assistance. I can be reached at [phayes@purchaseralliance.org](mailto:phayes@purchaseralliance.org) or 844-8106.

Best,

Peter Hayes  
President and CEO