



Testimony of Executive Director, Ben Lucas

Testimony in OPPOSITION to LD 1463: “An Act To Make Health Care Coverage More Affordable for Working Families and Small Businesses”

May 12th, 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 opposition to LD 1463.

According to the UPenn Leonard Davis Institute of Health Economics, in 2016 Maine ranked #4 in America for highest [healthcare cost burden](#). This compares average health premiums and deductibles to average income. This research showed that 35% of Maine’s household incomes went towards family premiums. This is by far the highest in New England. Vermont was second at 29.7% and the regional average is 29.2%. If LD 1463 passes, it will increase insurance premiums for Maine consumers and continue to make us an outlier with the rest of the region. Maine consumers will continue to pay more for health coverage than the rest of the nation.

Attempting to pass a new Health Insurance Tax is the last thing that Maine Residents and employers should have to deal with while we are beginning to come out of the pandemic. Adding this new tax will create higher monthly premiums for consumers and small businesses and it would ultimately drive up the cost of healthcare.. Maine already has high burdens to deal with, we have the [6th highest energy cost](#), the [4th highest healthcare cost](#), the [4th highest tax burden](#),

and [our weekly wage is \\$966](#), tied with Wyoming for 11th lowest. This legislation would raise taxes and make it even less likely that Maine would attract or retain foundational jobs, innovation, and investment.

The Office of Fiscal and Program Review says Maine's income is projected to increase by 462-million dollars this year and 460-million dollars next year, which is ahead of the projections when COVID started. There is also a record amount of federal money coming into Maine. There is no need to increase taxes, we should instead be focusing on passing legislation that helps make us more competitive with the New England region, and not an outlier.

In closing, we encourage this committee to take a far more comprehensive look at the bigger picture to see how we rank with the rest of New England. Maine consumers continue to pay among the highest amount of health coverage in the nation, we encourage the committee to see what can be done to lower our healthcare cost.

Thank you.

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