



# HOUSE OF REPRESENTATIVES

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### *Testimony of Rep. Denise Tepler presenting*

### **LD 1463, An Act To Make Health Care Coverage More Affordable for Working Families and Small Businesses**

### *Before the Joint Standing Committee on Health Coverage, Insurance and Financial Services*

Senator Sanborn and esteemed members of my favorite committee, I am Denise Tepler, representing House District 54, all of the sweet Town of Topsham. I am excited to introduce to you **LD 1463, An Act To Make Health Care Coverage More Affordable for Working Families and Small Businesses**. This bill has the potential to make a REAL difference in health care affordability for Maine families.

Until January of this year, the Federal government had been collecting an assessment from health insurance carriers to help pay for coverage provided in the Affordable Care Act. Our current rates in Maine, which overall went down last year, included the carriers payment of this assessment. Some states have already made the decision to continue this assessment at the state level and this bill provides Maine the opportunity to do so. The funds this assessment would provide present us with a great opportunity to do more to make health insurance affordable for Maine's hard working individual families.

The Affordable Care Act (ACA) made great strides in improving the availability of health insurance for many but it is far from providing universal coverage or guaranteeing affordability for all. One of the most concerning gaps in ACA coverage for Maine families is known as "the family glitch." If an individual is offered coverage for their family members by their employer, regardless of the cost of that insurance, they are not eligible for subsidies on the ACA exchange. So, if my company covers 80% of the cost of my insurance and offers my family the option to buy in at full cost — my family members are not eligible for a subsidy under the ACA even if the plan were to cost a full quarter of my earnings.

It is the intention of this bill to fix "the family glitch" if the State continues the former Federal assessment. Imposing this assessment should NOT increase health insurance rates as the carriers were paying it when they set rates last year. It does, however, provide Maine with a unique opportunity to create a fund to expand on coverage under Maine's new state-run ACA platform.

Many of the bills that we hear in this committee to address affordability are extremely costly. MECEP's estimates of the cost of a state-based single payer plan landed in the area of 6 billion

dollars. With this bill we can create a fund to increase affordability and access with an assessment on insurance companies that should not affect rates in Maine.

I am happy to answer any questions that I can.