



October 4, 2024

Meg Garratt-Reed
Executive Director
Office of Affordable Health Care
109 Capitol Street
11 State House Station
Augusta, ME 04333

Dear Executive Director Garratt-Reed,

We appreciate the opportunity to comment on the 2024 Annual Public Hearing of the Office of Affordable Health Care (OAHC). Maine's Health Care Future (MEHCF) remains committed to ensuring that all Mainers can access affordable, high-quality health coverage and care.

As the Office of Affordable Health Care continues to work towards lowering health care costs, we must voice our concerns over considering a Public Option program in Maine. A Public Option could harm the state's health care market, reducing competition and access to affordable, high-quality health care. We urge the OAHC to instead pursue policies and plans that will build on what is already working in the health care system.

We have seen time and time again the shortcomings of public option plans everywhere they have been implemented, notably in Colorado. The Colorado Public Option continues to fall short of the promises its supporters made that it would improve affordability and increase consumer choice. Despite assurances that premiums would be lower and coverage choices would increase for consumers, Coloradans are experiencing the exact opposite. Premiums have continued to rise in Colorado. In fact, individual market premiums rose an average of [10 percent](#) this year after a similar double-digit increase last year.¹ Into its second year, the vast majority of service areas in Colorado have had premium savings of less than one percent. Denver, which encompasses 40 percent of the market in its service area, shows less than a 0.2 percent in Colorado Option premium savings. In comparison, the state reinsurance program reduced premiums by [15 percent](#).²

At the same time, the Colorado Public Option is harming competition by driving four health insurance providers out of the state's individual or small group markets since its implementation, and its unsustainable price controls will make it very difficult to attract any new health plans to the state.

To date, enrollment in the Colorado Option represents just 1.5 percent of the state's population, despite the Colorado Division of Insurance putting its finger on the scale to boost enrollment. This state government-controlled

¹ Colorado Politics, "Stakeholders Must Acknowledge 'Colorado Option' Harms Affordability," June 2024.

² Partnership for America's Health Care Future, "Promises Unmet: The Early Experience of State Public Option Plans," April 2024.

health insurance system is not driving a significant increase in coverage, and its enrollment is nowhere near the number of enrollees that would be needed to achieve meaningful, sustainable reform within the health coverage market.

Colorado is just one example of the glaring failure that Public Option programs have been in every state that has attempted it. Out of the five states that have pursued a Public Option program, not one has been successful.

- Washington's Public Option program, Cascade Select, has been marred by notably low enrollment and has had minimal impact on the uninsured rate. In its first year, just [one percent](#) of consumers shopping on the open market chose the Public Option plan and the plans were available in just 25 of 39 counties.³
- In 2021, Nevada lawmakers rushed legislation that would create a state government-controlled health care plan. To date, expanding upon what is already working has been the best strategy for Nevadans. In 2023, [86 percent](#) of Nevadans who shopped for insurance through NevadaHealthLink.com were granted some amount of financial assistance; and 40 percent of enrollees had a net premium of \$100 or less.⁴
- At the end of Minnesota's last legislative session, lawmakers tried to push through a bill that would implement a state government-controlled MinnesotaCare Public Option but ultimately came up short. An [analysis](#) conducted by FTI Consulting found that a MinnesotaCare Public Option, like the program proposed, would harm Minnesotans' access to affordable, high-quality health care.⁵
- Connecticut's Partnership Plan, a government plan offered to select state employees and often proposed in the state as the foundation for a future public option, has been a disaster. Even after a \$40 million bailout to keep the plan solvent, the plan inflicted a [double-digit](#) rate increase in 2022.⁶

Ultimately, any movement towards a Public Option program is a step in the wrong direction for health care in Maine. The Public Option plan's significant risks to health care accessibility and affordability should give all parties involved great concern. Notably, similar plans' track records on enrollment are dismal, only minimally reducing the number of uninsured in states that have rolled out Public Option programs.

Since our inception, our focus has been on improving health care accessibility by building upon existing successes rather than starting over. We are committed to supporting policy proposals that align with these goals. Thank you for providing us with the opportunity to share our serious concerns regarding these policy propositions.

Sincerely,



Kelley McCullough Robertson
Executive Director
Partnership for America's Health Care Future Action
Maine's Health Care Future

³ NPR, February 2022 and Fierce Healthcare, February 2022

⁴ KSNV-NBC Las Vegas, January 2023

⁵ FTI, May 2023

⁶ Connecticut Inside Investigator, November 2022