

2024 Public Hearing

Maine Office of Affordable Health Care

October 4, 2024

Comments of Jake Lachance

Maine State Chamber of Commerce

On behalf of the Maine State Chamber of Commerce, a business advocate group representing the interests of over 5,000 large and small businesses across the State of Maine, my name is Jake Lachance, a Government Relations Specialist who is a part of the MSCC Advocacy Team. I want to thank the Office of Affordable Healthcare for the opportunity to submit testimony regarding the office's activities and new data analyses created in 2024.

For our members, one of the biggest issues that we consistently hear about is the affordability of the services they provide as employers. In this case, the Chamber is concerned about the impact of cost shifting in our healthcare system driven by the disparity between MaineCare and commercial insurance reimbursement rates. Currently, MaineCare reimburses providers below the actual cost of providing services. This results in limited access to services and ultimately shifts the burden of sustaining our healthcare system to the employers and well over half a million Mainers that are covered by commercial insurance. In a time where businesses are constantly worried about various mandated price increases, it is important that there is a balanced equation when considering changes in the way the overall system is supported. This is outlined by statistics from the OAHF dashboard, where the Commercial Payment Per Unit Cumulative % Change (2017-2022) was 29.6%, while the MaineCare Payment Per Unit Cumulative % Change (2017-2022) was 10.1%.

MaineCare launched Rate System Reform after reaching a determination in 2019 that many of its reimbursement rates were outdated and inconsistent.

To create more transparency in this endeavor, the Chamber feels as though it would be helpful to have better visibility for policy makers and stakeholders on how that process is impacting cost shifting and access to care. The Chamber suggests that the OAHF could assess the impact of MaineCare rate reform on cost shifting as part of their annual report or web-based dashboard to help illustrate the impact of MaineCare rate changes.

Again, the Chamber wants to thank the Office of Affordable Health Care for the opportunity to weigh in on these important topics and we hope this helps move the conversation forward in an effort to decrease the burden on employers and payors alike.