



Consumers for Affordable Health Care

Advocating the right to quality, affordable
health care for all Mainers.

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2025 Annual Public Hearing of the Office of Affordable Health Care

Thank you for the opportunity to submit these comments regarding affordability barriers Mainers face in accessing the health care and coverage they need. I am Kate Ende, Policy Director of Consumers for Affordable Health Care. Consumers for Affordable Health Care (CAHC) is a nonprofit, nonpartisan organization working to improve access to quality, affordable, and equitable health care for all Mainers.

Consumers for Affordable Health Care (CAHC) is designated by Maine's Attorney General as Maine's Health Insurance Consumer Assistance Program (CAP). The CAP program provides toll-free and in-person access to Certified Maine Enrollment Assistants and trained individuals who help Mainers understand their health coverage options, apply for and enroll in private health insurance, and appeal inappropriate health insurance denials.

Below are just a few of the stories we've heard from callers to our HelpLine this year:

- A former federal employee from Cumberland County who lost his job due to cutbacks. He and his wife were over income for MaineCare and his family of 4 was looking at plans that cost \$1,100 dollars a month- a price tag that, based on his lack of income at the time and unknown employment prospects, was far too expensive.
- A caller from Kennebec County who, even with employer coverage, is struggling to pay down \$9,000 worth of hospital bills since she does not qualify for financial assistance under current Hospital Free Care guidelines.
- A self-employed caller from Cumberland County with a family of 3. If the enhanced subsidies are not extended, their household will no longer be eligible for any premium subsidies. This, combined with steep rate increases and high deductibles, and the unpredictability of self-employment income, has caused significant concern about the ability to afford coverage for their family.
- A caller from York County who is one year away from being eligible for Medicare. He can no longer afford his Marketplace plan and is considering dropping it even though he has health issues that require medications.
- A caller from Hancock County who has employer coverage that does not cover his diabetes medications, Jardiance and Januvia. He cannot afford to pay \$1,700 out-of-pocket each month, so he has gone without his diabetic medications.

These are just a few of the stories we have heard from Mainers who are struggling to afford health insurance coverage, hospitals bills, and prescription drug costs. Polling conducted in Maine has found that these affordability barriers are widespread.

- Almost half of Maine households have incurred medical debt within the past two years. The large majority, – two out of three – were covered by insurance when they took on that debt.
- Two out of three families have experienced financial impacts as a result of medical bills. Most struggle to pay for basic necessities including food, housing or heat and report being sent to and contacted by a collections agency.
- Half of Mainers with commercial insurance are concerned they will lose their coverage because they cannot afford it.
- More than 80% of respondents who were uninsured cited expensive premiums as a barrier to obtaining health insurance.¹

These results were from polling conducted in Maine from December 2024 through January 2025- during which Enhanced Premium Tax Credits were lowering premium costs for more than 50,000 Mainers. The survey results also do not take into account the significant rate hikes that will go into effect in January 2026. Premium rates for individual plans in Maine will go up by an average of 24% and small group plans will have an average premium increase of 18%, together impacting 115,000 Mainers and small businesses who struggle to provide coverage to their employees. These premium rate increases will further exacerbate health care affordability barriers faced by Maine families and small businesses, especially when implemented in conjunction with the expiration of EPTCs and increases to deductibles, out-of-pocket maximums, and other cost-sharing amounts.

These dramatic rate hikes are simply not sustainable. Maine people and employers cannot afford double digit increases to already unaffordable health insurance premiums. While we are concerned with increases in insurance company profits, public rate filing documents show that increases in medical and prescription drug costs are among the largest cost drivers. For that reason, it is imperative that policymakers take steps to address underlying health care and prescription drug costs.

Hospital Costs

Hospital care makes up the largest percentage of health care expenditures in Maine, compared to all other services categories.² Most Mainers (80%) with medical debt attribute it to a hospital service. One out of three Mainers report that they have struggled to pay for basic necessities like food, heat, or housing, due to a hospital bill.³ More than half of Mainers with

¹ <https://drive.google.com/file/d/1of-aZWztHbCJDGZODEqoWEVvYcokHw41/view?pli=1>

² <https://www.kff.org/state-health-policy-data/state-indicator/distribution-of-health-care-expenditures-by-service-by-state-of-residence-in-millions/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

³ <https://drive.google.com/file/d/1of-aZWztHbCJDGZODEqoWEVvYcokHw41/view>

hospital related medical debt are not aware that Maine’s non-profit hospitals are required to provide free, medically-necessary care.

Especially at a time when health care costs are quickly rising, it is more important than ever that Mainers are aware of and can easily access hospital financial assistance programs. We continue to hear from people on our HelpLine who have been struggling to pay for a hospital bill, only to find out that Free Care is available to them. We also hear from people who have difficulty affording the payment plans they have been offered, which sometimes require thousands of dollars in monthly payments. During the last legislative session, the Legislature passed and Governor Mills signed into law LD 1937, which will strengthen Maine’s hospital free care rules and, once implemented, we hope will address many of these issues.

However, even under the new law, many Mainers still will not be eligible for financial assistance or affordable payment plans, which, along with the fact that high hospital costs are also contributing to unaffordable premiums, is why we strongly believe policies are needed to address rising hospital costs. Several states have captured savings by utilizing Medicare reference-based pricing for hospital services and we suggest the Office consider similar policies to create savings for Maine people and employers.

We also suggest that the Office consider strategies that would prohibit anti-competitive practices. Nationally, some dominant health systems have used anticompetitive contract provisions to keep high-cost, low-value providers in preferred plan networks and to raise hospital prices, including through anti-tiering, anti-steering, and all-or-nothing clauses.

We are also concerned by the experiences of other states when private equity companies have purchased health care systems and providers. Unfortunately, private equity in the health care space has led to higher prices. More recent studies have also documented that private equity acquisitions have put consumers (patients) at risk, including:

- A national study of quality of care in hospitals acquired by private equity that shows worsening of fall and infection risks; and
- an increase in some post-procedure adverse events, even though private equity hospitals performed fewer procedures among younger and less disadvantaged patients.
- New findings, described in the Journal of the American Medical Association, amplified existing economic concerns about the growth of this for-profit ownership model.⁴

Prescription Drugs

Too often we hear from Mainers through our HelpLine who are struggling to afford the cost of the prescription drugs they need, some of whom are forced to make difficult choices between

⁴ [Changes in Hospital Adverse Events and Patient Outcomes Associated With Private Equity Acquisition | Health Care Economics, Insurance, Payment](#) | JAMA | JAMA Network; 12/26/23

paying for medicine and being able to provide for their families and put food on the table or gas in their tank. One out of three Mainers report that they have postponed filling or refilling a prescription, split pills in half, skipped doses of medicine or did not fill a prescription due to costs.⁵ Rising prescription drug costs are another significant driver of premium increases.

The Inflation Reduction Act, passed in 2022, contained several provisions requiring the Secretary of Health and Human Services (HHS) to negotiate prices for some of the costliest prescription drugs covered by Medicare. As you know, the Inflation Reduction Act, passed in 2022, contained several provisions requiring the Secretary of Health and Human Services (HHS) to negotiate Maximum Fair Prices for some of the costliest prescription drugs covered by Medicare. Maryland and Colorado's Prescription Drug Affordability Boards (PDAB) are moving forward with establishing upper payment limits for certain high-cost drugs. We believe Maine's PDAB and Maine policymakers should consider similar policies that would constrain the rising cost of prescription drugs, such as requiring public payers to create savings by utilizing the Maximum fair prices for drugs negotiated by Medicare.

Closing Coverage Gaps

In addition to addressing rising costs, we must ensure all people living in Maine have access to health insurance coverage. Governor Mills and the Maine Legislature previously took a significant step in improving health care affordability and advancing health care equity by restoring eligibility for MaineCare to children and pregnant people regardless of their immigration status. However, the coverage gap still exists for adults and many immigrants living and working in Maine who are ineligible for MaineCare due to their immigration status. Removing this discriminatory exclusion so that all income-eligible people living in Maine can have access to coverage for the same scope of services through MaineCare, regardless of their immigration status, is crucial to addressing health care affordability in Maine.

Unaffordable Private Insurance Premiums & Out-of-Pocket Costs

We frequently hear from people who cannot afford to pay for their health coverage or medically necessary care, or who have gone into debt to pay for the treatment they needed. We applaud Maine's new Superintendent of Insurance for his work with carriers to reduce proposed individual and small business rates for 2026, but the finalized rates are still significantly higher than previous years. We are deeply concerned that the premium increases, coupled with the loss of the federal Enhanced Premium Tax Credits (EPTC), will put the cost of health insurance out of reach for more Mainers in 2026. In addition to addressing underlying cost drivers, we also encourage the Office to consider the following policies to improve affordability:

- **Provide State-Level Subsidies.** Other states have succeeded in both increasing enrollment in private coverage, reducing their uninsured rates and improving their risk pools through providing state financial assistance in addition to the federal subsidies.

⁵ <https://drive.google.com/file/d/1of-aZWztHbCJDGZODEqoWEVvYcokHw41/view>

This has helped to further lower coverage costs for populations likely to face financial barriers to enrolling in coverage.

- **Limit Cost-Sharing Requirements.** We encourage the Office to explore additional strategies to lower out-of-pocket costs in order to reduce affordability barriers to accessing needed medical care. Strategies should maximize pre-deductible coverage, as well as utilize copays over coinsurance, to the greatest extent possible without exceeding Actuarial Value limits.
- **Strengthen Rate Review in Maine.** While the Bureau of Insurance reviews proposed individual and small group rates submitted by carriers each year, several other states have granted their state regulatory agency greater latitude and authority to disapprove rates on the basis of affordability. Rhode Island and Vermont are examples of states that have implemented strengthened rate review law.
- **Ensure Alignment of Silver Premiums for ACA compliant plans.** An analysis published by Families USA estimated the impacts of realigning metal-tier premiums based on coverage generosity in 2020 Marketplace plans. The analysis found metal-tier premium realignment would have saved Marketplace enrollees an average of \$739 in Maine, amounting to \$46 million of total projected premium savings on 2020 Marketplace plans in Maine.⁶ Several states have already taken action to realign silver premiums with the value of coverage provided. New Mexico requires a Cost Saving Reduction Load of 44% be added to Marketplace silver plans. Vermont and Texas also mandate a specified CSR load of 41.87% and 35%, respectively. Illinois has also enacted a law requiring a uniform CSR adjustment factor that “assumes that the only on-Exchange silver plans that will be purchased are the 87% and 94% cost-sharing reduction variations.” Illinois rates must also “apply an induced demand factor based on the following formula: $(\text{Plan Actuarial Value})^2 - (\text{Plan Actuarial Value}) + 1.24$.”⁷ We urge the Office to include in its recommendations that the Bureau of Insurance adopt policies to prevent premium misalignment in Maine including:
 - Requiring induced demand assumptions used by carriers to project higher utilization when plans have lower overall cost sharing.
 - Prohibiting carriers from varying metal-level premiums based on their past utilization in a particular metal tier. Carriers should rely instead on the utilization patterns experienced by all enrollees pooled together, without distinguishing between silver, gold, and bronze utilization patterns.
 - Establishing standardized metal level and CSR variant enrollment projections

⁶ <https://familiesusa.org/resources/misalignment-between-premiums-and-coverage-generosity-imposes-heavy-cost-burdens-on-consumers-in-health-insurance-exchanges/>

⁷ <https://www.ilga.gov/documents/legislation/103/HB/PDF/10300HB5395lv.pdf>

Misleading Urgent Care Facility Name

CAHC has been contacted by several consumers who have inadvertently patronized MaineHealth's Urgent Care Plus facility when trying seeking care at an urgent care center. MaineHealth's Urgent Care Plus facility bills at a higher rate than standard urgent care centers because the physicians are trained in emergency medicine and the facility offers imaging. However, the name "Urgent Care Plus" leads consumers to believe that they are accessing a regular urgent care facility.

It is our understanding that there is a notice on their website and a sign posted inside the physical location explaining the difference in billing, however this is inadequate. As one consumer told us, "By the time I got there, I was in so much pain I didn't notice a sign on the wall. I specifically chose to go to urgent care instead of the emergency room because it would be less expensive. If I had known Urgent Care Plus bills the same as an emergency room, I never would have gone there."

The consumers we spoke were trying to access more affordable care by going to an urgent care center rather than an emergency room, but unbeknownst to them, were charged as if they had accessed care at an emergency department. Even though they all had insurance, either through an employer or CoverME.gov, their out-of-pocket costs ranged from \$1,800 to over \$2,000. We should ensure consumers who are trying to access care from less expensive settings are able to do so without unnecessary confusion.

Conclusion

CAHC appreciates the opportunity to provide these comments and looks forward to working with the Office and other stakeholders on these issues in the future.