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AARP Maine Comments to the Office of Affordable Health Care

Good morning, my name is Bridget Quinn and I am an Associate State Director of Advocacy and Outreach for AARP Maine. AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering people 50 and older to choose how they live as they age. On behalf of our more than 200,000 members statewide, thank you for the opportunity to provide comment today.

Cost-related barriers consumers in Maine face when attempting to access necessary health care we offer comments to this office on the high cost of prescription drugs, affordability and coverage for rural Mainers.

Today, many of Maine's older adults are struggling with the high cost of everyday items. The fact is many people are struggling to afford everything from groceries to gas while big drug companies are still charging Americans three times more for prescription drugs than in other countries. An AARP report in 2021 found that between 2019 and 2020, retail prices for 260 widely used brand name prescription drugs increased by 2.9 percent, more than two times faster than general inflation (1.3 percent).

Mainers cannot keep up with the increasing prices of prescription drug costs. The good news is that due to the Federal Inflation Reduction Act (IRA) of 2022, some relief is coming to some Mainers. The IRA included provisions that will allow Medicare to negotiate the price of some prescription drugs. The first negotiated prices will take effect in 2026. However, Maine can continue its work to lower prescription drug costs to ensure that others will benefit from these new innovations. This includes reference pricing policy such as carry over bill LD 1829 which will apply the Medicare negotiated reference price to commercial and state purchasers and ERISA plans that choose to opt in. The costs saved are required to be passed on to consumers and insurers must demonstrate how they did so. Maine can also look at policies that eliminate pay for delay agreements.

The cost of coverage is also a barrier to healthcare access especially for rural Mainers and Americans ages 40-64. According to an AARP study from December of 2022 nationally one-fifth of adults 40-64 consider a \$50 a month individual health insurance premium as unaffordable. Of the study group, 43% of respondents identified reducing the price of monthly health insurance premiums as one of the most important health care affordability

issues for policymakers to address. Policies should ensure that premium increases are justified and reasonable.

In Maine, it is important to also consider coverage for those living in rural areas. Both rural and urban areas saw health coverage gains after ACA implementation, but older adults living in rural areas have consistently been more likely than older adults living in urban areas to be uninsured. Further, rural residents ages 50 to 64 are more likely than their urban counterparts to delay or cancel care due to cost. Efforts in this area should include increasing enrollment efforts for Medicaid and state marketplaces in rural communities throughout Maine.

Thank you for the opportunity to provide comment. We look forward to the work of this office. If you have questions on the comments provided today please contact me at bquinn@aarpp.org or at 207-272-8563.

Thank you,
Bridget Quinn
AARP Maine



