

TESTIMONY OF THE MAINE MEDICAL ASSOCIATION

IN SUPPORT OF

L.D. 1620, AN ACT TO PROTECT HEALTH CARE CONSUMERS FROM CATASTROPHIC DEBT

Joint Standing Committee on Insurance & Financial Services
Room 427, State House, Augusta, Maine
1:00 p.m., Wednesday, February 3, 2010

Good afternoon Senator Bowman, Representative Treat, & Members of the Joint Standing Committee on Insurance & Financial Services. I am Andrew MacLean, Deputy EVP of the MMA, and I am here to offer the MMA's support for L.D. 1620. The MMA is a professional organization representing more than 3000 physicians, residents, and medical students in Maine whose mission is "to support Maine physicians, advance the quality of medicine in Maine, and promote the health of all Maine citizens."

In prohibiting annual, lifetime, or other caps on health insurance policies that Maine consumers understand to be *comprehensive*, L.D. 1620 addresses one of the foremost fears of those of us fortunate enough to have health insurance coverage – that coverage will not be there when we need it most, when we suffer from a severe chronic condition, or cancer, or HIV/AIDS, or when we need an organ transplant as you will hear from Dr. Liebow in just a minute or two. As most of you know, a comprehensive family health insurance policy in Maine today requires an annual premium payment of more than \$20,000 and L.D. 1620 will ensure that the consumer gets what he or she paid for – the peace of mind that medically necessary health care services will be covered when a devastating illness strikes.

Although addressing these health insurance coverage limits seems to have substantial bipartisan support in the U.S. Congress, action on health care reform in Washington, D.C. most certainly has been delayed, if not derailed. So, the MMA urges you to enact this bill without delay. A prohibition on arbitrary limits in health insurance coverage is a key element of the insurance reforms in both the House (H.R. 3962, *Affordable Health Care for America Act*, passed on 11/7/09) and Senate (H.R. 3590, *Patient Protection and Affordable Care Act*, passed on 12/24/09) health care reform bills.

Finally, the MMA believes that L.D. 1620 is consistent with the seven critical elements necessary to improve access to affordable, quality care and to reduce unnecessary costs in the current system identified by the American Medical Association (AMA) and supported by the MMA.

- Health insurance coverage for all Americans;
- Insurance market reforms that expand choice of affordable coverage and eliminate denials for pre-existing conditions;
- Assurance that health care decisions will remain in the hands of patients and their physicians, not insurance companies or government officials;
- Investments and incentives for quality improvement, prevention and wellness initiatives;

- Repeal of the Medicare physician payment formula that would trigger steep cuts and threaten seniors' access to care;
- Implementation of medical liability reforms to reduce the cost of defensive medicine; and
- Streamlining and standardizing of insurance claims processing requirements to eliminate unnecessary costs and administrative burdens.

In the absence of federal action, enactment of L.D. 1620 is an important contribution to Maine's ongoing efforts at incremental health care reform and the MMA urges a positive vote on the bill.

Thank you for considering the views of the MMA on L.D. 1620 and I would be happy to answer any questions you may have.