

132nd LEGISLATURE
JOINT STANDING COMMITTEE ON HEALTH
COVERAGE, INSURANCE AND FINANCIAL SERVICES

Interim Committee Meeting Agenda

October 1, 2025

10:00 am

- 10:00 am** Welcome and Commission members and staff introductions
Committee Chairs, Sen. Donna Bailey and Rep. Kristi Mathieson
- 10:00 am** Confirmation Hearings: Appointments and Reappointments to the
Advisory Council on Affordable Health Care
- Randy Clark of Vassalboro for Appointment
 - Maureen Hensley-Quinn of Scarborough for Appointment
 - Trevor Putnoky of Yarmouth for Reappointment
 - Kevin Lewis of Winthrop for Reappointment
- 11:00 am** Briefing on Health Insurance Premium Rates for 2026 Plan Year
Superintendent of Insurance and Bureau staff
- 12:30 pm** Break
- 1:00 pm** Briefing on provider contracting relating to Anthem and Northern
Light Health
Representatives of Anthem and Northern Light Health
- 1:45 pm** Public Comment
- *Comment from interested parties and members of public*
 - *Approx. 3 minutes each*
- 2:30 pm** Committee Discussion and Planning for Additional Interim Meetings
- 3:00 pm** Adjourn

Times are approximate and may be adjusted as necessary by the committee chairs

Public access also available through the Maine Legislature's livestream:

<https://legislature.maine.gov/Audio/#220>



DEPARTMENT OF PROFESSIONAL & FINANCIAL REGULATION

Bureau of
Insurance

STATE OF MAINE



2026 Individual and Small Group Major Medical Rate Requests

October 1, 2025

Bob Carey, Superintendent
Marti Hooper, Life & Health Actuary
Maine Bureau of Insurance

Rate Review

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- The Bureau reviews and approves health insurance rates for plans sold to individuals and small employers (50 or fewer employees).
 - At the end of 2024, there were approximately 110,000 people covered in the merged (individual and small group) market.
- Maine state law (M.R.S.A. 24-A) directs the Bureau to ensure that rates are not “excessive, inadequate, or unfairly discriminatory.”
- Rates for large group plans and self-insured employer plans are not reviewed by the Bureau.

Rates may not be “excessive, inadequate, or unfairly discriminatory.”

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- Rates primarily pay for the delivery of health care services, the cost to operate an insurance company, and a small amount of profit or margin, but rates cannot be **excessive**.
 - Federal law requires at least 80% of the premium must be used to pay for health care services.
 - “Excessive” does not necessarily mean “unaffordable.”
- Rates must not be underpriced (i.e., **inadequate**).
- Rates cannot be **unfairly discriminatory**.
 - People in similar circumstances should pay similar rates.

What is a Rate and What is a Premium

- The price for a health insurance plan is known as a *base rate*.
- A *premium* is the amount a policyholder pays for insurance coverage and is calculated from the base rate. Your actual premium will be higher or lower than the base rate, depending on several key factors:
 - How old you are
 - Where you live
 - The plan you choose
 - The number of people in your family covered by the policy
- Your health and the health of your family members are **not** factored into how much you pay for health insurance.
 - However, the base rate is affected by the use and cost of health care services across the entire merged market risk pool.

Rate Review

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- The Bureau examines the reasonableness of assumptions and the validity of the historical data underlying the assumptions, and the reliability of past projections in light of actual experience, including analysis of:
 - (a) medical trend, utilization and cost-sharing changes by major service categories
 - (b) benefit changes
 - (c) changes in enrollee risk profile (for the entire pool, not individuals)
 - (d) any overestimate or underestimate of medical trend for prior years
 - (e) changes in administrative costs
 - (f) changes in applicable taxes, licensing or regulatory fees
 - (g) medical loss ratios
 - (h) pharmacy benefit manager compensation disclosure

2026 Rate Review Process

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- Carriers filed two sets of rates on June 5th
 - One set based on the termination of enhanced premium tax credits (EPTC) as of 1/1/2026; and a second set assuming EPTC is extended.
- Revised rates were submitted in mid-July.
- Bureau actuarial team reviews rates and responds with objections to request more information to support assumptions.
- Rates were finalized in September and submitted to the state exchange (CoverME.gov).
- Rate filings and objections are public and can be accessed through the Bureau website.

Recent Federal Changes Affecting Rates

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- Expanded eligibility due to hardship exemptions for Catastrophic plans announced by CMS on 9/4
- Court injunction preventing changes in the Program Integrity Rule including expanded AV de minimis requirements – CMS issued a bulletin on 9/5 but stay on injunction was denied by the court on 9/18
- HSA designation allowed for all Catastrophic and Bronze exchange plans in 7/4 federal budget bill
- Possible extension of enhanced premium tax subsidies unknown

Drivers of Rate Increase

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Factor	Anthem	CHO	Harvard Pilgrim	Taro / Mending	United HealthCare
2025 Premium Understatement - Individual	15%	14.7%	24%		N/A
2025 Premium Understatement - Small Group	4.2%	15.3%	**	**	**
Allowed Medical Trend	8.1%	7.9%	11.3%	6.2%	11.6%
Allowed Rx Trend	12.5%	15.4%	17.7%	16.5%	11.4%
MGARA Savings	7.5%	5.7%	6.5%	6.8%	5.5%
Morbidity Assumption	4.3%	3.0%	2.0%	9.6%	0%
End of EPTC Impact	1.0%	1.8%	3.6%	3.1%	N/A

** - Due to small membership, Maine experience is only partially used to set rates.

financial projections,
estimated Δ 's in risk profile

2026 Individual Market Rate Requests – Weighted Average 24.2%

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(On/Off Exchange) Health Insurance Rate Filings

Approved with Catastrophic Revision

Carrier	Plan Type	Proposed Average	Final Average	Low	High	2025 Covered Lives
Anthem Health Plans of Maine	HMO/PPO	19%	23.5%	10.8%	46.5%	33,118
Harvard Pilgrim Health Care	HMO	20%	21.3%	-0.9%	28.9%	13,718
Maine Community Health Options	HMO/PPO	34.4%	26.5%	14.3%	32.7%	22,633
Taro Health (Mending Health)	HMO	19.1%	32.7%	30.8%	36.2%	1,106

(Off Exchange Only) Health Insurance Rate Filings

Carrier	Plan Type	Proposed Average	Final Average	Low	High	2025 Covered Lives
HPHC Insurance Company	PPO	17.7%	18.8%	2.7%	35.7%	138
United Healthcare Insurance	PPO	7.4%	8.4%	0%	0%	0
United Healthcare of New England	HMO	7.1%	8.1%	0%	0%	0
Lives Weighted Average			24.2%			70,713

2026 Small Group Market Rate Requests – Weighted Avg 17.7%

Approved With Catastrophic Revision

Carrier	Plan Type	Proposed Average	Final Average	Low	High	2025 Covered Lives
Anthem Health Plans of Maine	HMO/PPO	16.4%	16.0%	9.6%	26.7%	25,784
Harvard Pilgrim Health Care	HMO	19.4%	20.4%	2.4%	28.6%	9,346
HPHC Insurance Company	PPO	18.7%	19.2%	3.8%	35.7%	2,163
Maine Community Health Options	HMO/PPO	29.9%	21.5%	14.3%	31.2%	6,341
UnitedHealthcare Insurance	PPO	7.4%	8.4%	3.2%	13.9%	1,228
UnitedHealthcare of New England	HMO	7.1%	8.1%	5.8%	12.3%	126
Taro Health (Mending Health)	HMO	18.3%	32.2%	30.8%	36.2%	141
Lives Weighted Average			17.7%			45,129

2026 Other States Rate Approvals

State	Average Rate Change Individual	Average Rate Change Small Group
AL	21.1%	
CT	16.8%	11.0%
DE	25-34.9%	
IL	28.8%	13.3%
IN	23.5%	6.9%
LA	19.4%	12.1%
MD	13.4%	4.9%
MA	13.4%	
MS	41.0%	
NC	28.1%	
NE	28.3%	18.0%
NM	35.7%	16.8%
NY	7.1%	13.2%
OR	9.7%	11.5%
RI	21.0%	
VA	21.6%	9.6%
VT	6.7%	2.5% - 4.4%
WA	21.0%	

Federal Enhanced Premium Tax Credits Expire at the End of 2025

- People eligible for Advanced Premium Tax Credits (APTC) through CoverME.gov – **which are funded by the federal government** – will see significant increases in their monthly premiums.
- This is due to the end of “enhanced” APTC at the end of CY 2025.
 - Enhanced APTC has been available since 2021.
- APTC is provided on a sliding scale based on household income.

Premium Contribution as % of Household Income

Household Income (FPL %)	Enhanced APTC	Standard APTC
<138%	0%	2.10%
150%	0%	4.19%
200%	2%	6.60%
250%	4%	8.44%
300%	6%	9.96%
350%	8.5%	9.96%
400%	8.5%	9.96%
>400%	8.5%	N/A

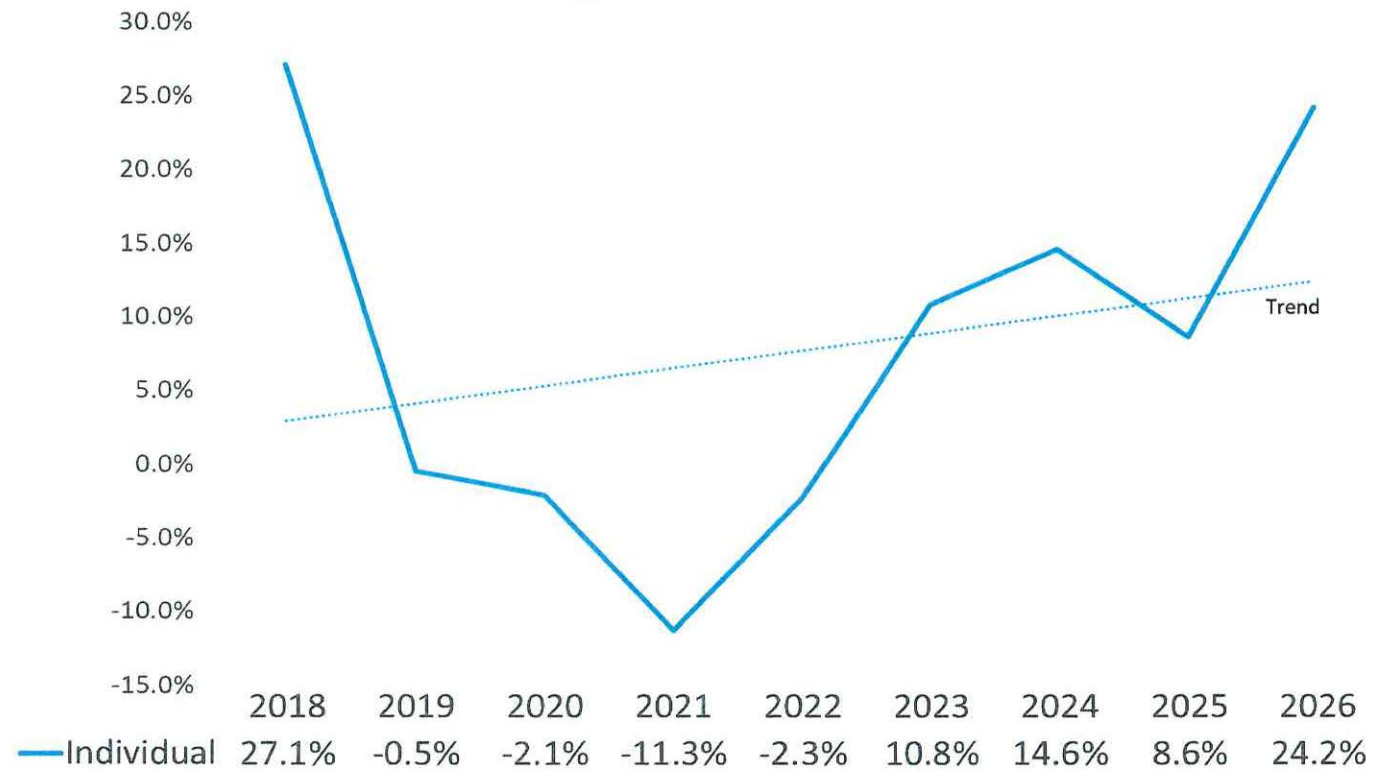
\$ Impact of Ending Federal Enhanced Premium Tax Credits

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3 Person Household		2025 Premium Contribution		2026 Premium Contribution		\$ Change
Monthly Income	FPL %	% of Income	\$ Amount / Month	% of Income	\$ Amount / Month	
\$4,442	200%	2%	\$89	6.6%	\$293	+\$204
\$6,663	300%	6%	\$400	9.96%	\$664	+\$264

Household Size	100% FPL	200% FPL	300% FPL
1	\$15,650	\$31,300	\$46,950
2	\$21,150	42,300	\$63,450
3	\$26,650	\$53,300	\$79,950
4	\$32,150	\$62,300	\$96,450

Individual Health Insurance Average Rate Increases



2026 average increase is an estimate based on expected enrollment distribution.

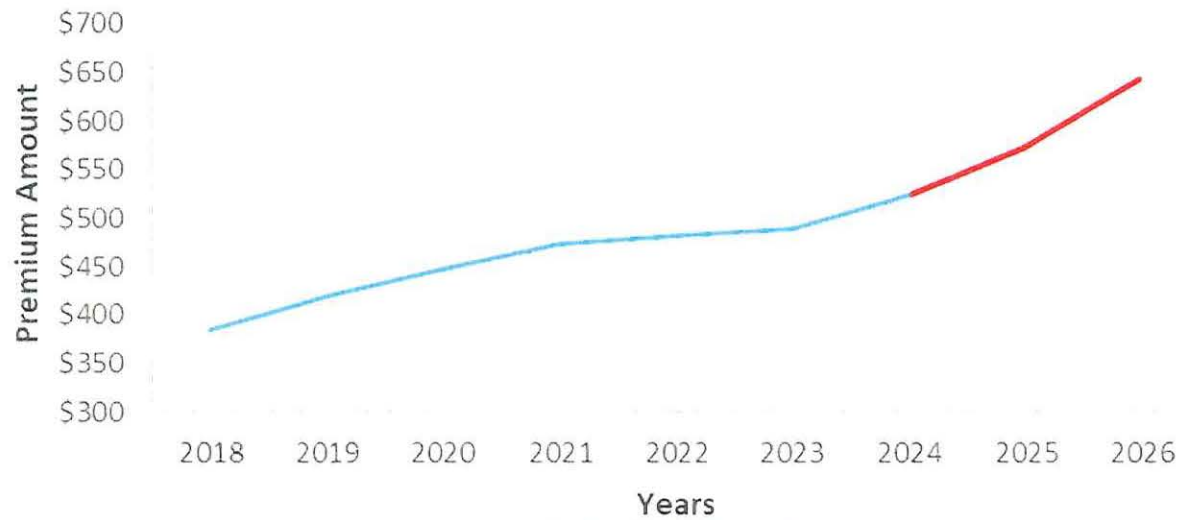
Geographic Rating Areas

Area	Counties
1	Cumberland, Sagadahoc, York
2	Lincoln, Kennebec, Knox, Oxford
3	Androscoggin, Franklin, Waldo
4	Penobscot, Piscataquis, Somerset
5	Aroostook, Hancock, Washington

Second Lowest Cost Silver Plan by Area & Year for a 40 Yr. Old Individual

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Area - 1	\$514	\$485	\$453	\$394	\$394	\$427	\$481	\$522	\$673
Area - 2	\$554	\$509	\$477	\$420	\$420	\$451	\$518	\$556	\$725
Area - 3	\$582	\$536	\$500	\$436	\$436	\$469	\$536	\$570	\$733
Area - 4	\$628	\$590	\$577	\$470	\$439	\$464	\$525	\$554	\$746
Area - 5	\$809	\$717	\$694	\$586	\$523	\$547	\$590	\$593	\$755

Small Group Average Monthly Premium



2018-2024 Historical

2025-2026 Estimated

Year	Small Group Average Monthly Premium
2018	\$386
2019	\$419
2020	\$447
2021	\$474
2022	\$483
2023	\$490
2024	\$524
2025	\$574
2026	\$644

*Red Indicates an estimate



Maine State Legislature
OFFICE OF POLICY AND LEGAL ANALYSIS

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MEMORANDUM

TO: Members, Joint Standing Committee on Health Coverage, Insurance and Financial Services

FROM: Colleen McCarthy Reid, Principal Analyst

DATE: September 30, 2025

RE: Interim Activities Requested by the Committee

For your review and information as the committee discusses its interim work, I've attached 2 documents:

1. Overview of Bills Carried Over to the Second Regular Session, including brief description of interim activities by sponsors and stakeholders requested by the committee; and
2. Copy of Letter to the Office of Affordable Health Care requesting presentation at interim meeting related to previous studies evaluating policy options to address health care coverage.

This information may be helpful background for the committee's planning for any additional interim meetings.

**JOINT STANDING COMMITTEE ON HEALTH COVERAGE,
INSURANCE AND FINANCIAL SERVICES**

BILLS CARRIED OVER TO SECOND REGULAR SESSION

LD #	Title	Sponsor	Explanation of carry over request
378	An Act to Strengthen the Health Care System in Maine	Sen. Bailey	This bill is being carried over at the request of the sponsor.
519	An Act to Remove the Requirement That Individual and Small Group Health Plans Be Offered Through a Pooled Market and to Eliminate the Provision of Law Establishing a Pooled Market for Those Plans	Rep. Morris	This bill is being carried over to allow time for a stakeholder group to be convened by the Bureau of Insurance to study issues related to long-term sustainability and value of the Maine Guaranteed Access Reinsurance Association (MGARA) and other issues related to the individual and small group health insurance markets.
663	An Act Regarding Health Care	Rep. Mathieson	This bill is being carried over at the request of the sponsor.
910	An Act to Collect Data to Better Understand the Consumer's Health Insurance Experience	Sen. Tepler	This bill is being carried over as a vehicle for the committee to consider changes to the prior authorization process following completion of a report by the Bureau of Insurance over the interim.
961	An Act to Address Maine's Health Care Workforce Shortage and Improve Access to Care	Rep. Mathieson	This bill is being carried over at the sponsor's request to allow additional time for stakeholders to consider changes to the proposal in hopes of reaching consensus.
1119	An Act Regarding Reproductive Health Care	Rep. Moonen	This bill is being carried over at the request of the sponsor.
1220	An Act to Allow Chiropractors to Treat Dogs and Equids	Rep. Foley	This bill is being carried over to allow time for a stakeholder group to be convened by DPFR to conduct a review and evaluation of the expanded scope of practice for chiropractors in a similar manner as a sunrise review as required by current law.
1301	An Act to Prohibit the Use of Artificial Intelligence in the Denial of Health Insurance Claims	Sen. Tipping	This bill is being carried over in deference to the ongoing task force studying issues related to the use of artificial intelligence, including in the health insurance industry. The report is expected to be submitted before the Second Regular Session.
1502	An Act to Update the Requirements for Health Insurance Coverage of Prostate Cancer Screening	Rep. Moonen	This bill is being carried over to allow time for the Bureau of Insurance to complete a review and

**JOINT STANDING COMMITTEE ON HEALTH COVERAGE,
INSURANCE AND FINANCIAL SERVICES**

BILLS CARRIED OVER TO SECOND REGULAR SESSION

LD #	Title	Sponsor	Explanation of carry over request
			evaluation of the mandated health benefit proposal in the bill as required by current law.
1530	An Act to Improve the Sustainability of Emergency Medical Services in Maine	Sen. Curry	This bill is being carried over to allow time for the Bureau of Insurance to complete a review and evaluation of the mandated health benefit proposal in the bill as required by current law.
1803	An Act to Amend the Laws Governing Optometric Practice	Sen. Brenner	This bill is being carried over to allow time for a stakeholder group to be convened by DPFR to conduct a review and evaluation of the expanded scope of practice for optometrists in a similar manner as a sunrise review as required by current law.
1890	An Act to Facilitate the Development of Ambulatory Surgical Facilities by Exempting Certain Facilities from the Requirement to Obtain a Certificate of Need	Rep. Foley	This bill is being carried over at the request of the sponsor to allow stakeholders additional time to develop proposed changes with input from the Department of Health and Human Services.
1901	An Act to Regulate Shared Appreciation Agreements Relating to Residential Property	Rep. Bell	This bill is being carried over at the to allow additional time for the Superintendent of Consumer Credit Protection to work with stakeholders to consider changes to the proposal.
1915	An Act to Regulate Earned Wage Access Services Providers	Rep. Skold	This bill is being carried over at the to allow additional time for the Superintendent of Consumer Credit Protection to work with stakeholders to consider changes to the proposal.
1970	An Act to Amend the Laws Regarding Consent for HIV Testing and Disclosure of Related Medical Information for Insurance Purposes	Rep. Osher	This bill was recommitted to HCIFS after being reported out to allow additional time to work with stakeholders to consider additional amendments.

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DAVID G. HAGGAN, DISTRICT 10

COLLEEN MCCARTHY REID, PRINCIPAL LEGISLATIVE ANALYST
EDNA CAYFORD, COMMITTEE CLERK



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STATE OF MAINE
ONE HUNDRED AND THIRTY SECOND LEGISLATURE
COMMITTEE ON HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

June 10, 2025

Meg Garratt-Reed
Executive Director
Office of Affordable Health Care
221 State Street
Augusta, Maine 04330


Dear Ms. Garratt-Reed,

As you know, the Joint Standing Committee on Health Coverage, Insurance and Financial Services recently considered LD 1269, Resolve, to Study the Costs and Funding of a Universal Health Care Plan for Maine. As drafted, the bill directs the Office of Affordable Health Care to study, in consultation with the Department of Health and Human Services, the costs and potential funding of a publicly funded, privately and publicly provided, universal health care plan for the State. As discussed during the committee's work session, committee members do not believe that pursuing a State-based universal health care plan is feasible without federal assistance. Because the committee does not expect the federal administration to enable state-based efforts toward universal health care, the committee does not feel it would be prudent to move forward with the study proposed in the resolve and voted "Ought Not to Pass".

However, all members are committed to enacting policy recommendations that will make health coverage more accessible and affordable and we regret that the committee did not have more time to discuss and review previous studies to consider policy options to address health care coverage through legislative action. To that end, we are writing to ask that you review prior studies and develop recommendations for potential policy options for the committee's consideration. We want to convey our commitment to schedule an interim meeting in September or October to provide you an opportunity to present these policy options so that the committee has time for meaningful review and discussion before the Second Regular Session begins in January.

We look forward to continuing this discussion. If you have any questions, please do not hesitate to contact us or our legislative analyst, Colleen McCarthy Reid. Thank you for your consideration.

Sincerely,


Sen. Donna Bailey
Senate Chair


Rep. Kristi Michele Mathieson
House Chair