

# Maine Medical Association

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## TESTIMONY OF THE MAINE MEDICAL ASSOCIATION

### L.D. 2007

#### An Act To Enact the Made for Maine Health Coverage Act and Improve Health Choices in Maine

Joint Standing Committee on Health Coverage, Insurance and Financial Services  
Wednesday, February 5, 2020

Good Afternoon Senator Sanborn, Representative Tepler, & members of the Committee. My name is Karen Saylor, M.D., President-Elect of the Maine Medical Association, here to testify in support of LD 2007.

The MMA is a professional organization of more than 4,300 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.

We commend Governor Mills and Commissioner Lambrew for developing this legislation, as it is our hope that it will improve access to health care by creating affordable insurance options that work for patients and providers alike by offering more cost-effective options while reducing the burden of high out of pocket costs. Those high costs are proving increasingly difficult as patients forgo essential preventative care or delay needed treatments and providers find themselves faced with frustrated or angry patients who become sicker as they delay important care.

The MMA's Statement on Reform of the U.S. Health Care System is attached to our testimony. It outlines our objectives to achieve basic health care for every resident of Maine while improving the patient experience, quality and satisfaction, improving the health of populations, reducing the per capita cost of care, and improving the health and work life of health care clinicians and staff. With our core principles in mind, we believe LD 2007 provides a framework to potentially reduce costs while also providing opportunities for more affordable offerings for small business and their employees. It also creates a process and framework to restructure and expand insurance options through a state run insurance marketplace.

The Maine Medical Association strongly supports the concepts contained in LD 2007, especially efforts to emphasize evidence informed preventive care for infants, children and adolescents according to American Academy of Pediatrics (AAP) recommendations as well as the same for women's preventive services guidelines that are consistent with the recommendations of the American College of Obstetricians and Gynecologists (ACOG).

The Maine Medical Association appreciates the opportunity to comment and of course offers its expertise in any discussions.

167<sup>th</sup> Annual Session | September 18-20, 2020 | Bar Harbor, Maine



# Maine Medical Association

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Charles F. Pattavina, MD, President | Robert J. Schlager, MD, President-Elect | Amy Madden, MD, Chair, Board of Directors  
Gordon H. Smith, Esq., Executive Vice President | Andrew B. MacLean, Esq., Deputy Executive Vice President & General Counsel

## **Maine Medical Association Statement on Reform of the U.S. Health Care System**

The Maine Medical Association (MMA) is a professional organization founded in 1853 and headquartered in Manchester, Maine representing more than 3900 physicians, residents, and medical students whose mission is to support Maine physicians, advance the quality of medicine in Maine, and promote the health of all Maine citizens.

The MMA believes that the current U.S. health care system continues to produce some of the world's most eminent clinicians and health care facilities who together provide some of the most advanced medical care in the world. But, it does not provide basic health care as well as many other developed countries and, therefore, is not serving our country or its people as well as it should. We face the problems with our current health care system in our daily encounters with patients. We believe that the United States can and must do better in providing health care to its people.

Our objective should be to achieve basic health care for every resident of Maine.

We support the "Quadruple Aim," a framework developed by the Institute for Healthcare Improvement describing an approach to optimizing the performance of our health care system. These core values are:

1. Improving the patient experience of care, including quality and satisfaction;
2. Improving the health of populations;
3. Reducing the per capita cost of health care; and
4. Improving the health and work life of health care clinicians and staff members.

Our health care system should strive to incorporate the following principles:

### The Physician-Patient Relationship

1. Provide health care that is patient-centric and physician-directed.
2. Put the patient first and protect the sanctity of the physician-patient relationship, particularly respecting the physician's autonomy as advocate for the patient.
3. Promote the maximum possible choice in patients' selection of physicians.

### Structure of the Health Care System

4. Support a strong and vital public health infrastructure that can collaborate fully with physicians and the health care system to advance population health.

Adopted by the Maine Medical Association Board of Directors on Wednesday, January 18, 2017

5. Emphasize prevention and provide systemic support for healthier lifestyles, through incentives for identified health risk avoidance.
6. Stress pooling of clinical risk rather than medical underwriting.
7. Be efficient and have the ability to restrain rising health care costs at a system-wide level in the least intrusive way possible.
8. Have the ability to integrate and coordinate services in order to reduce fragmentation and the division of medical care into "silos."
9. Improve quality and minimize errors by relying upon evidence-based medicine, benchmarking, and outcome measures driven by clinicians and administrators working together.
10. Promote transparency of health care cost, quality, and outcome data.
11. Reduce the burden of administration to the greatest extent possible and include a billing system that is streamlined and consistent, as well as a payment system that is prompt and outcomes oriented.
12. Make health information technology (HIT), including electronic medical records (EMRs), more user friendly and more focused on clinical matters, rather than financial matters, and completely interoperable in order to facilitate rather than impede communication and work flow among clinicians, patients, and health care facilities.
13. Include a rational means of resolving medical liability disputes in order to restrain defensive medicine.

Public Support for the Health Care System

14. Be politically sustainable by including everyone as a participant and, therefore, a stakeholder in supporting it.
15. Be simple and fair, such that every participant can understand it and perceive that its financing burden and benefits are distributed fairly.



JAMES L. MADARA, MD  
EXECUTIVE VICE PRESIDENT, CEO

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February 4, 2020

The Honorable Sara Gideon  
Speaker of the House  
2 State House Station  
Augusta, ME 04333

The Honorable Troy Jackson  
Senate President  
3 State House Station  
Augusta, ME 04333

Re: AMA Support for the Made for Maine Health Coverage Act

Dear Senate President Jackson and Speaker Gideon:

On behalf of the American Medical Association (AMA) and our physician and medical student members, I am writing in support of the Made for Maine Health Coverage Act, legislation designed to significantly improve the health insurance system in Maine.

This legislation will improve health insurance transparency in Maine and assist consumers in making informed choices about their coverage by creating “clear choice design” requirements for individual and small group plans. These requirements would be established by the Superintendent of Insurance and in consultation with stakeholder groups that we hope will include physician representatives. The AMA agrees that navigating the wide range of health plan choices available on health insurance exchanges may be potentially difficult and confusing for patients. We therefore support efforts to ensure clear and meaningful differences between plans offered on health insurance exchanges. The AMA believes that the “clear choice design” requirements in this legislation would be a step in this direction. Additionally, the AMA supports the provision of the legislation that would allow carriers to submit opt-out requests to offer plans with alternative plan designs, provided that no design would result in adverse selection.

This legislation will also reduce health care costs for residents of Maine through changes to the individual and small group markets. For example, the legislation would combine the individual and small group risk pools to further stabilize the market and then expand reinsurance to that combined market. As evidenced by successful reinsurance programs in other states, as well as in Maine’s individual market, we expect the expansion of reinsurance to the combined pool will result in premium reductions in comparison to what they otherwise would have been had the reinsurance program not been in place.

Notably, we do have concerns with provisions that require the reporting of providers who provide “high-cost” items or services that hit the attachment point. We hope you will reconsider that provision in this legislation, as we do not anticipate that a physician will know when a patient has reached the reinsurance mark and, regardless, it will not influence the medical necessity of the item or service. As such, we see no value in the public reporting of individual physicians for this purpose.

The Honorable Sara Gideon  
The Honorable Troy Jackson  
February 4, 2020  
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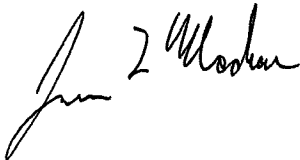
This legislation will also create greater market stability, and thus reduce premiums, through provisions requiring new protections and guardrails around Association Health Plans (AHPs). The AMA continues to have concerns about the impact of AHPs on the marketplace risk pools, given their ability to siphon young, healthy groups and individuals away from state individual and small group markets. Therefore, we strongly support provisions in your legislation to require guaranteed issue to eligible members of an association or trustee group, and that such groups be prohibited from conditioning coverage on health status or claims experience. Additionally, we support efforts to ensure the legitimacy of the associations offering coverage, reducing the ability of associations to form solely to offer health insurance.

Finally, we anticipate that should Maine transition to a state-based exchange, state leaders will seize on the new flexibility, innovation and greater efficiency and stability that may come with such a change. The AMA would look forward to working with state policymakers, as well as the Maine Medical Association, on these exciting opportunities for Maine's health insurance market and its enrollees.

If you have any questions, please feel free to contact Emily Carroll, Senior Legislative Attorney, AMA Advocacy Resource Center at [emily.carroll@ama-assn.org](mailto:emily.carroll@ama-assn.org) or (312) 464-4967.

Thank you for the opportunity to engage on this important legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "James L. Madara". The signature is written in a cursive, flowing style.

James L. Madara, MD

cc: Governor Janet Mills  
Maine Medical Association