

The Maine Heritage Policy Center Testimony to Oppose LD 1539

“An Act To Provide Maine Children Access to Affordable Health Care”

Senator Gratwick, Representative Hymanson and distinguished members of the Committee on Health and Human Services, my name is Adam Crepeau and I serve as a policy analyst at The Maine Heritage Policy Center. Thank you for the opportunity to provide testimony in opposition to LD 1539.

The Maine Heritage Policy Center is opposed to expanding Cub Care eligibility to families that earn up to 325 percent of the federal poverty level, prohibiting asset tests to determine eligibility, expanding coverage to 19 and 20 year olds as well as non-citizens 21 years of age or younger and removing the premium requirements. This bill would make the scope of coverage too broad and would undoubtedly be expensive for taxpayers.

LD 1539 would expand the maximum eligibility for a family of three from \$42,660 (200 percent of the FPL) to \$69,322 (325 percent of the FPL), or a 62 percent increase.¹ According to the US Census Bureau, the median income for families in 2017 was \$67,340.² This expansion of coverage would make the Cub Care program too broad in scope, covering families that may not truly need these services. Government assistance programs are meant for society’s truly needy, not all who want to utilize government services.

Not to mention, this bill prohibits the use of asset tests on children or their families to determine eligibility for services. Thus, a family could have as much as they want in assets or property and still be eligible to receive benefits through Cub Care. Asset tests are necessary to ensure tax dollars are not expended on families that do not need government assistance. Also, this bill would expand this program to 19 and 20 year olds as well as non-citizens 21 years of age or younger. Government’s “safety net” should never be allowed to be this wide in scope, especially for a program billed as providing “health coverage to as many children as possible.”³

This proposal also strikes the requirement for recipients of Cub Care to pay premiums at the beginning of each month. This would let recipients off the hook for premium payments while taxpayers pick up the entire tab for services. Recipients of government services should be expected to contribute their share of payments if they are going to receive services from state

¹ <https://aspe.hhs.gov/2019-poverty-guidelines>

² <https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

³ <https://legislature.maine.gov/statutes/22/title22sec3174-T.html>

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government, especially if the maximum eligibility for family income would be expanded to families that make more than the median family income in Maine.

Because this bill overwhelmingly expands the scope of coverage, prohibits asset tests and strikes the premium requirement for recipients, The Maine Heritage Policy Center urges the committee to vote, "Ought Not to Pass" on LD 1539. Thank you.