



Jim Miller, General Manager,
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[\(Read more...\)](#)

Senator Whittemore, Representative Richardson, Members of the Committee,

I'm Jim Miller, General Manager of Wooden Boat Publications, a small business in Brooklin, Maine. We employ 33 people. And I am responsible for their health insurance, and that of their spouses and children, a total of 67 lives. Year after year our costs have been increasing. Last year our annual cost was \$284k per year and Wooden Boat paid 68% of the bill. Then we were hit with another 17% increase which amounted to an additional \$48k.

We avoided this by switching carriers and coverage and self-insuring a portion of everyone's exposure. (Explain self-insuring just in case)

A year later, we still have the same amount of lives and have been informed of a 21% increase in rates. This 21% represents an increase of \$51k.

What do we do? We can't afford to pay a higher proportion of the overall cost and neither can our employees.

We are considered a small group and community rated. There is good and bad to community rating. Community rated means your rates are affected by 3 things: 1. The region where you get your health services impacts your rate. Aroostook County is the most expensive, Southern Maine the least. We are in the middle, the Bangor/Ellsworth market

In addition, the age of the group is a factor. Our group is older, mid fifties, and most people stay with us for the long haul. Good place to work in a very small community.

Lastly, our rates are affected by the overall claims expenditures for the year on a state-wise basis. Not much we can do about this and they continue to rise.

We are faced with this challenge every Spring and it has been going for the last 20 plus years. Some years are better than others, but it's always more money, and usually a surprise.

I fear we are now running out of options.

Why is it that health insurance is being managed by employers? Why can't this be managed by someone other than the me?

Here's what I would like to see:

Everyone gets insurance, the exact same coverage. "Everyone" means the 10% who do not have it today. That's 135k uninsured people! They are just like us. They get sick. They need services. Who pays for them? We do. The people with insurance pay for this through higher charges for services.

Health insurance needs to be separated from employment. Premiums should be paid for by the individual and managed by someone other than the HR department.

Young or old, healthy or sick, we are all in the same pool, and we all benefit.

If profit is driven out of the model, it will cost less overall. It has been estimated that 10 percent will be saved in year one by this change.

One health card for each means easier and better monitoring of the person's health.

One health card means effective cost control. One health card means one administrative body for all rather than many.

One health card means fraud becomes easier to control.

This is not a radical concept.

Can you imagine the impact it will have if the cost is shifted from the employer to the individual? Companies will move here in droves. What a great message to send to prospective employers, we truly are ready and willing to do business.

I was reminded last week that pooling all types of people into one group was the original concept and mission of Blue Cross, which was started in Texas by school teachers.

Testimony by Jim Miller in support of LD 1397, May 3, 2011 Augusta ME

Their motto was "All of us helping each of us" and for years that motto hung over the entrance to their building in Portland.

The time has come for all of us to help each other. We cannot continue with the present broken system. I trust you to do something that helps Maine businesses and people.

Thank you. I will be glad to answer any questions.

--

Jim Miller

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