



**Consumers for
AFFORDABLE
Health Care**

*Advocating the right to health care
for every man, woman and child.*

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Insurance Companies Forced to Return Money to Mainers

Nearly 10,000 Mainers are getting money back from their health insurance company thanks to a law Consumers for Affordable Health Care (C.A.H.C.) helped pass. The state is requiring Mega Life Insurance to refund its policy holders about \$5.6 million from over-charged premiums. Maine law requires that insurance companies offering coverage on the *individual market* spend at least 65 cents from every dollar collected on paying for actual medical costs for its policy holders. Because Mega Life failed to spend up to that, it must pay back all the money it collected above and beyond that to make up the difference. The insurance company was also fined one million dollars in April by the Bureau of Insurance for using a flawed method to determine premiums for individual health plans.

This isn't the first refund. In March, the state required Aetna Life Insurance Company to make a similar refund to about a thousand small Maine businesses based on another law C.A.H.C. helped pass, the Dirigo Health Act. Part of that law requires insurance companies pay 78 cents of every dollar it takes in from *small group policy holders* toward their health care. This is calculated over a three year average. Aetna Life Insurance Company was required to pay back its policy holders about \$6.6 million in over-charged health care premiums.

As Maine's largest consumer health coalition, Consumers for Affordable Health Care hails this as a victory of its consumer advocacy and the actions of good government.

“When companies are making large net profits in a tiny insurance market like Maine’s, it is good to have government serve as a watchdog to protect the interests of the little guy. I believe that more can and should be done by Augusta lawmakers to protect individuals, sole proprietors, and small businesses in Maine to lower their health insurance rates. This is not hard. This is the way government should work when small businesses and individuals don’t have the bargaining clout to get lower health insurance rates. It’s only fair.” - C.A.H.C. Executive Director Joe Ditré

Anyone who thinks they may be owed a refund as part of this recent decision is asked to call the Bureau of Insurance Consumer Assistance Hotline at 1-800-300-5000 or Mega Life at 1-800-527-5504.

As always, if you need health coverage and don’t know what options are out there for you or where to turn, you can call the CAHC HelpLine at 1-800-965-7476.

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“Health care should be a right, not a privilege.”