



Dear Members of the House Insurance Committee:

I have enclosed a recent article detailing the importance of legislation (Senate Bill 447 - HIDATA) that has been referred to the House Insurance Committee.

The American Medical Association (AMA) just ranked Michigan as the 2nd least competitive state for healthcare in the country. Just three years ago, the AMA ranked Michigan as the 6th least competitive state. Last year, Michigan was ranked 3rd least competitive. Now, only the state of Alabama has a less competitive healthcare market.

The lack of competition has contributed to employers in Michigan having high health insurance premiums. Michigan small business premiums are 19% more expensive than the rest of the country and up to 28% more expensive than the most-competitive states.

Senate Bill 447 has bipartisan support and passed the Senate unanimously. The legislation empowers employers to request confidential information on claim and utilization data from their health insurers so they can be more informed about costs and trends and be in a better position to shop for future healthcare coverage for their employees.

MAHPs member health plans are declining to quote half of the bid opportunities they receive because employers do not have enough information about their prior claim and utilization history. As a result, when employers shop, they aren't shopping effectively because they're not armed with data.

Increasing transparency is a critical factor in improving competition. The HIDATA bill will help drive more competitive quotes to Michigan's employers who are paying more than national average in health insurance premiums.

For these reasons, we encourage committee members to support Senate Bill 447.

Sincerely,

A handwritten signature in black ink that reads "Dominick Pallone". The signature is written in a cursive style with a large, prominent "P" and "L".

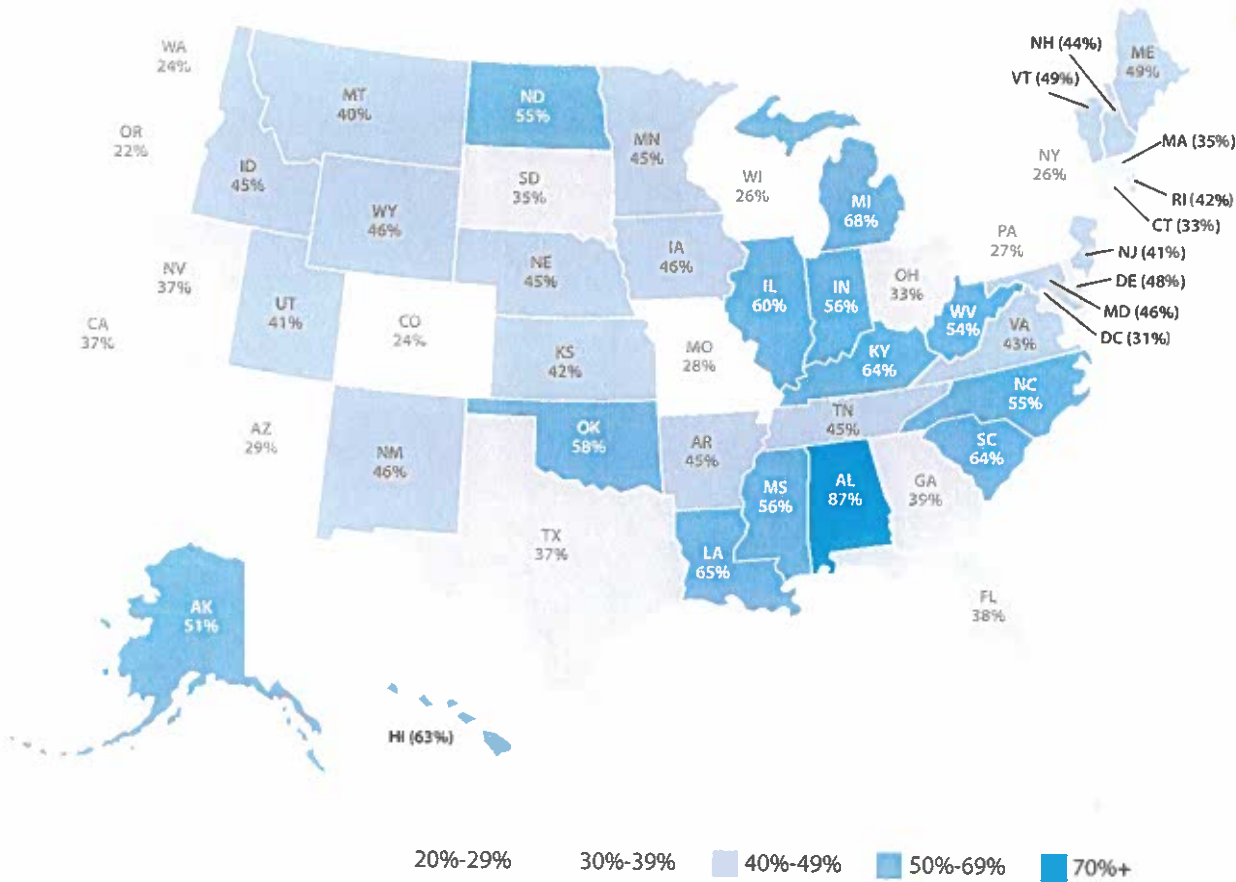
Dominick Pallone
Executive Director
Michigan Association of Health Plans

A handwritten signature in black ink that reads "Christine Shearer". The signature is written in a cursive style with a large, prominent "S" and "R".

Christine Shearer
Deputy Director of Legislation & Advocacy
Michigan Association of Health Plans

Market Share of Largest Insurer, 2020[†]

List of states by largest market share



#	State	Share
1	Alabama	87
2	Michigan	68
3	Louisiana	65
4	South Carolina	64
5	Kentucky	64
6	Hawaii	63
7	Illinois	60
8	Oklahoma	58
9	Indiana	56
10	Mississippi	56
11	North Dakota	55
12	North Carolina	55
13	West Virginia	54
14	Alaska	51
15	Vermont	49
16	Maine	49
17	Delaware	48
18	Maryland	46
19	Iowa	46
20	New Mexico	46
21	Wyoming	46
22	Minnesota	45
23	Idaho	45
24	Tennessee	45
25	Arkansas	45
26	Nebraska	45
27	New Hampshire	44
28	Virginia	43
29	Rhode Island	42
30	Kansas	42
31	Utah	41
32	New Jersey	41
33	Montana	40
34	Georgia	39
35	Florida	38
36	Texas	37
37	California	37
38	Nevada	37
39	Massachusetts	35
40	South Dakota	35
41	Ohio	33
42	Connecticut	33
43	District of Columbia	31
44	Arizona	29
45	Missouri	28
46	Pennsylvania	27
47	New York	26
48	Wisconsin	26
49	Colorado	24
50	Washington	24
51	Oregon	22



Source: The AMA's "Competition in health insurance: A comprehensive study of U.S. markets, 2021 update"

[†] Based on the combined PPO+HMO+POS+EXCH market.

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