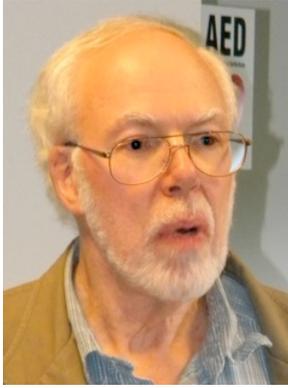


LD 1397 Testimony by John Newton May 3, 2011



John Newton, Member, Maine AFL-CIO Executive Board, Portland ME

We want a healthcare system where everyone gets the medical care that they need without worrying about how they are going to pay for it.

Good afternoon.

Senator and Chairman Whittemore
Representative and Chairman Richardson
(Ranking member Representative Treat
My neighbor and Senator Joe Brannigan)

Distinguished members of the Joint Standing Committee on
Insurance and Financial Services

My name is John Newton. I live in Portland. And I am a member of the Maine AFL-CIO Executive Board. I am here today to speak on behalf of all Maine workers, those who are represented by labor unions and those who are not.

The Maine AFL-CIO is a federation of 150 local unions representing 26,000 working men and women in Maine. We work to improve the lives of our members, their families and all working people in Maine through legislative action, political work and solidarity efforts to support workers organizing and fighting for economic rights.

I am pleased to come before you in support of LD1397, "An Act To Establish a Single-Payor Health Care System To Be Effective in 2017."

What does the Maine AFL-CIO want?

We want a healthcare system where everyone gets the medical care that they need without worrying about how they are going to pay for it.

What don't we want? We do not want any more private insurance companies – companies that price-gouging us for plans that cover nothing. We do not want any more personal bankruptcies from medical debt. And we don't want any more Maine people living without medical care.

The message that I bring you today from the Maine AFL-CIO is that we are advocating for legislation that will put us on the path to having a Maine Medicare for All program.

American healthcare is being bled dry by for-profit insurance companies, who waste hundreds of billions of healthcare dollars each year on bureaucracy, advertising, profits, and political contributions.

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No other industrialized country in the world makes this mistake—and no other country spends so much for so little. No other country allows the for-profit financing of basic health care services.

America spends twice as much as the average of all other developed countries; and those countries provide health care to all of their people.

Only in America is health care considered a business. *“If an insurance company's objective is to make a profit rather than deliver health care, a patient's best interests may not always be in the forefront of their thinking. Decisions are made by accountants and actuaries, not necessarily on the basis of what's best for the patient.”* -- Rep. Jim McDermott, D-WA

In this for profit insurance business system, denying care is the way to increase profits and create more wealth for the shareholders.

Only in America is the health care system a way to redistribute wealth from all of us to the rich and powerful.

The time has come to face this for profit system head-on – to stop the domination of private insurers over our healthcare. The time has come for the public financing of health care in Maine. The time has come for the Maine Health Care Plan.

Passing LD 1397 would do just that – institute the public financing of health care in Maine and prohibit the sale of health insurance policies that duplicate the coverage of the Maine Health Care Plan.

Having one agency collect our premiums and pay all the bills – having a single payer is the only affordable way to fix our health system. About 1/3 of the money we spend goes to overhead. In the form of huge billing offices that insurance companies, doctors, hospitals and other providers must have to deal with the hundreds of insurance plans and to deal with the fights about money - who pays, for what, and how much – that causes us great anxiety and often prevents us from getting the quality of care we should be receiving.

How do we get to a new health care system – a new system that puts people before profits.

Let me share my vision. I can see in four short years our new governor will announce the following optimistic statement in a press release: "Today the Legislature took a huge step toward making Maine among first states ... in the nation to control skyrocketing health care costs and remove the burden of providing health care coverage from small business owners," The governor said: "This bill is good for Mainers and Maine businesses." Actually, the Governor of Vermont, Peter Shumlin, made this statement a week ago.

The Vermont legislation creates a path toward what they call a “universal and unified health system.”

The governor calls single-payer health care. The legislation calls for setting up a health care marketplace, called an exchange under the federal Affordable Care Act. It also sets up a board that would review and approve designs for a publicly financed program available to all residents. Not that different from the Transition Advisory Committee of LD 1397. The Vermont legislation is silent on

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how the universal system will be funded and what the actual benefits will be. Vermont has passed a process, a roadmap to get to single payer.

To win single payer we will need a social movement. As *Senator Bernie Sanders, I-VT* says: *In my view, the fight for universal and comprehensive health care is the civil rights battle of our time.*

The time has come for Single Payer – or Medicare for All - a publicly financed health insurance system that provides full coverage, for all, for less. No Co-Pays, No Deductables, No Insurance Companies – that's single payer health care.

For additional information:

John Newton
Executive Board
MAINE AFL-CIO
AFGE Local 948
Cell: 207.671.5342

Matt Schlobohm
Executive Director
Maine AFL-CIO
PH: 207.786.0045
Cell: 207.576.3572

“We used to negotiate wages, hours and working conditions - now it's health insurance!”

Bob Piccone, Past President-Teamsters Local 340

Let's get health insurance off the bargaining table by enacting public financing of health care in Maine.