



## Frequently Asked Questions

**What is Maine AllCare?** We are an organization that promotes a simpler system of healthcare for all Mainers – one that is universal, publicly funded, easily used and where costs can be effectively controlled. We educate people about how healthcare works now and how it could be made better. This education will make it easier for our legislators to enact a comprehensive healthcare plan. We want to show them there is wide support in the state for universal healthcare. To this end, we created a separate entity, Maine Action, to work on a ballot initiative directing the development of legislation establishing a publicly funded system of healthcare coverage for all Maine residents.

**How can we afford universal coverage?** We can more than pay to cover everyone when we eliminate waste in the current system. This waste is seen in high administrative costs, corporate profits, uncontrolled prices, lack of preventive care, delivery of unnecessary services and fraud. Studies show 30% of our current healthcare spending may be considered waste. Most insurance companies take profits. Government-run programs do not. In a universal system, payment can be streamlined. Costly denials and appeals from private insurance companies are eliminated. With the whole state involved, lower prices can be negotiated for services and medications.

**Who pays for it?** Everyone pays and everyone benefits. A universal system would be supported by taxes or premiums. For those who are employed, this may be shared between employer and employee. Everyone would pay their fair share, and for most, that would be less than they pay now. For an example of how this can work, see the Maine Center for Economic Policy report: Assessing the Costs and Impacts of State Level Universal Health Care in Maine.

**Why should I pay for the healthcare of others?** You are already paying for this care. When uninsured people receive urgent care, those with insurance are charged more to cover the costs. When

people do not have money for preventive care or minor interventions, they often need much more expensive critical care. Our taxes fund public goods that are at some time needed by everyone, such as education, roads, fire departments and police. We pay for them by pooling our resources, using them when needed. We believe healthcare should be seen as a similar public good.

**Is this ‘socialized medicine?’** No. In socialized medicine systems, hospitals are government owned and doctors are salaried, public employees. Maine AllCare promotes a system where hospital and doctor practices would remain privately run and people will be free to choose their providers.

**Will there be rationing and long wait lines?** Healthcare is already rationed. Right now, insurance companies are making healthcare decisions that are about profit, not providing care. Many people skip treatments that their insurers refuse to cover. Thousands of Mainers are either uninsured or underinsured, leaving them at risk of financial disaster. In a universal system, doctors and patients make medical decisions together, based on medical need and proven effectiveness – not ability to pay.

Long wait times are often cited as unavoidable in universal, publicly financed health systems. They are not. Wait times are a function of a health system’s capacity (how many hospitals and providers it has) and its ability to monitor and respond to patient flow. An effectively managed universal system makes adjustments so that patients can obtain care in a timely way.

**Won’t a publicly funded system stifle medical research?** Most basic research is already tax-funded through the National Institutes of Health. Drug companies spend far more administration, marketing, lobbying and profit than they do in actually manufacturing and developing their products.

**What about Obamacare (ACA)?** The Affordable Care Act has achieved many good things. It covers 20 million Americans, prohibits insurance companies from denying coverage or charging more for

pre-existing conditions, allows dependent children to be covered under their parents' policies until they are 26, requires a list of essential healthcare benefits without co-pays or deductibles. However, 45% of Americans are still either uninsured or underinsured, and due to its continued reliance on commercial health insurance, healthcare costs are still out of control. The average ACA premium increased more than 75% in the last six years making coverage unaffordable to people who do not qualify for subsidies. Individual deductibles can reach \$8150, discouraging people from using even if they have insurance.

**Why not just let people choose a public insurance option if they want?** A public health insurance option is a proposal that may be offered to people alongside commercial insurance plans. Though the idea of choice is appealing, this approach has several failings. First of all, sicker people would tend to select the option, making it a more expensive one. Secondly, the cost savings of a truly universal system would not occur: rather than streamlining the healthcare system the added option would complicate it, and provide little chance for provider and drug price negotiation. Thirdly, employment-based coverage would continue, meaning those workers with it would continue to be "locked in" to their job while their employers would be "locked in" to responsibility for their care. And finally, a public option would do nothing to reduce the waste and profit taking inherent in the commercial health insurance system.

**Is universal healthcare politically sustainable?** A universal system is simple, fair and effective. Americans can believe in those values. In America, publicly funded Medicare enjoys wide political support. People like the fact that Medicare beneficiaries have contributed to the program and that Medicare's benefits are fairly distributed.

**What if I already have employer coverage?** Employer based plans change constantly. Out-of-pocket costs go up, networks become more restricted and treatment covered last year may not be covered this year. Insurers restrict choice by denying provider-ordered care and by charging high fees if you go "out-of-network." With a universal system, most people with employer plans will have the same or better coverage and will pay less than they do now. They won't be tied to their job

because of the fear of losing health insurance. And if they lose their job, they will still have healthcare. The COVID-19 pandemic has dramatically illustrated why healthcare should not be linked to employment, as millions of people have lost both their job and their healthcare.

With a universal system, employers will spend less time and money negotiating, administering and paying for employee coverage. This can make them more competitive in the global economy and may enable them to increase wages. More entrepreneurs and people who work from home will be attracted to Maine. A universal, Maine system would encourage young people to stay here, growing our population and economy.

**Will people lose jobs?** We envision a shift in jobs and a sustainable transition plan. More healthcare providers will be needed, and many insurance staff can be retrained for jobs that actually support healthcare. Funding will be provided to retrain.

**Why is this better than a free-market system?** An essential ingredient of a free-market is enough information for the buyer to make a good choice. Healthcare does not work like a normal free market. It is not a commodity or product like a car or cell phone. Doctors and hospitals do not post their true charges. The buyer (patient) can never obtain enough information and is seldom able to shop around for treatment. Thus, a free-market healthcare system puts patients at a disadvantage.

Almost every other country in the developed world has adopted a universal healthcare plan. These countries spend far less per person on healthcare than we do. They cover everyone and their citizens enjoy better health outcomes. There is huge waste in our free-market system. There is profit making at every level. There are too many middlemen, too much waste and too much bureaucracy that does nothing to contribute to peoples' health.

With a universal system, there is peace of mind knowing that healthcare will always be there, no matter what health crisis might happen to you or your family. Universal coverage will be fair, efficient and lead to overall better health and a better future for Maine.