

Talking Points for LD 1397 "An Act To Establish a Single-payor Health Care System To Be Effective in 2017"

*The first public hearing on LD 1397 is scheduled for May 3rd, 1pm in Augusta before the Joint Standing Committee on Insurance and Financial Services (Room 220, Cross State Office Building).

1. LD 1397 will provide every resident of Maine access to comprehensive health care services – not health insurance, but health care services. We do not have that today, and the way the current for-profit health insurance business operates, we never will.

2. Our current system is not sustainable. We are paying an increasing percentage of our incomes on health care every year, and getting less for our dollar. Insurance prices are going up, out-of-pocket health care costs are going up, and health benefits are going down. Not only is insurance becoming unaffordable, but Maine businesses who are trying to provide benefits to their employees are finding it increasingly difficult.

3. LD1397 will de-couple employment from health care. Employers will no longer be responsible for paying the ever-increasing health insurance costs for their employees. Individual workers will no longer have to search for jobs that provide decent health benefits for themselves and their families, and will not have to worry about their health care if they change their jobs, lose their jobs, or get sick and become unable to work. Members of labor unions can once again negotiate for wages and not for health care benefits which neither management nor labor control in the first place.

4. The Maine Health Care Plan will be affordable. Everyone will pay a modest and fair amount based on Adjusted Gross Annual Income. Today, tens of thousands of Mainers purchase very high deductible, \$5000, \$10,000 and even \$20,000 health insurance policies in an effort to be responsible about purchasing some sort of health care insurance. But ask yourself, if you were faced with a truly catastrophic and costly illness, could you and your family afford to pay up front that first 10 or 20 thousand dollars?

5. The Maine Health Care Plan will be a fair system. People earning less than \$32,670 a year, that's 300% of current federal poverty level (FPL), will pay less, based on a sliding scale. Those earning under \$14,484 a year, or 133% FPL, will not have to pay for health care. Few people call today's health insurance system 'fair', even if you have insurance. Thousands face the daily dilemma of 'do I see a doctor for a minor illness and make the co-payment I can't afford', or tough it out, go to work sick and hope it goes away. The decision gets even tougher when your child has a cough and fever, but you haven't been grocery shopping and you don't have food in the house, but payday is a week away, and you don't have enough money to pay both for the food and for the doctor.

6. Maine's new single-payor health care system will be easy to use; everyone will have a Health ID card. If you need to see a doctor, you make an appointment and present you Health ID; that's it, you're done. No additional bureaucracy, no need for multiple phone calls by your doctor's staff to get insurance company permission for treatment. There may be a very small co-payment due at the time of service, but administration of health care services to patients, and the timely and correct payments to providers of care will be automatic, efficient and accountable.

7. A system that includes everyone and is publicly financed is the most fiscally responsible way to provide for all our health care needs. Publicly financed programs such as Medicare, Medicaid and the VA have much lower administrative costs. More of their dollars go toward health care and fewer to administrative costs, high executive salaries and overhead.

8. If every other industrialized nation can make health care a human right, Maine can do it too. Our challenge to this legislature is to pass LD 1397 despite the powerful private health insurance companies and other corporations whose influence often trumps the wishes of our citizens.

9. LD 1397 will return medical decision making to doctors and health care professionals. "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

10. Everybody in, nobody out. Even if Obama's overhaul works as planned, there will still be 23 million Americans lacking health insurance in 2019. LD 1397 will bring comprehensive health care to all Maine citizens. "LD 1397: Yes, You're Covered!"

11. No more underinsurance. The new norm is underinsurance. About 40 percent of us go without needed care because we can't afford it. The health care law won't change that, even once it's completely phased in. Personal medical bankruptcies due to medical costs will continue to rise - leading to a ripple effect of consequences such as homelessness. LD 1397 will have no deductibles and minimum co-pays based on ability to pay.

12. For unions, bargaining will return to the important issues of wages and working conditions. Bargaining for health care is getting tougher as employers demand cuts and shift more costs to workers. Negotiations over better health coverage will become almost impossible when the excise tax on health benefits begins in 2018. If LD 1397 is passed, the unions and the employers can focus these other issues. Maine AllCare hopes that Maine businesses will pass on their health care "savings" from LD 1397 to their employees by offering better wages.

13. An end to the incrementalist approach to health care reform. The truth is that most people agree on the reform law. They love the parts that block insurance companies from denying coverage and care. They hate the parts that give away our tax dollars to insurance companies. They hate the mandate that will force everyone to buy insurance from the very companies whose profit motive is the source of most of our health care system's problems. They hate the escalating costs of insurance and care. LD 1397 will bring true reform to the entire system. LD 1397 will provide single payor: simple yet comprehensive health care reform.

14. "Single payer universal health care for all" may sound expensive, but it's not. Our for-profit system spends 1 of every 3 of our health care dollars on "anything but care" and rewards insurance and healthcare executives with multi-million dollar salaries. Redirecting these dollars to actual health care services and providers will be enough to provide comprehensive coverage to everyone without paying any more than we already do.

15. Dr. William Hsaio estimates that Maine would save 10% in healthcare costs, or approximately \$1 Billion per year in reduction of administrative costs alone. (Testimony to the Joint Committee on Health Care Reform - October 2010)