



## Maine Health Care Act, [LD 1045](#)

### Summary

2021

- All Maine residents are eligible for publicly funded and privately provided health care as described in the Maine Health Care Plan.
- A board, selected by the Governor and approved by the Legislature, manages the Plan.
- Funding comes from federal monies currently funding health care, from redirected sources (automobile premiums, workers' compensation, etc.), and from income-based premiums and payroll taxes; but not from deductibles or other cost sharing.
- Health care professionals are paid at rates negotiated with them; institutional providers (hospitals, nursing homes, etc.) through global budgets set by the board.
- Drug and device prices are negotiated.
- Additional savings are realized by reductions in administrative costs and duplications.
- Commercial insurance carriers cannot offer benefits offered by the Plan.
- Assistance is provided for administrative workers displaced by the Act.

**How does this bill align with [Maine AllCare's Key Principles](#) for health care legislation? See below for an analysis.**

<b>Maine AllCare Key Principles</b>	<b>LD 1045 Alignment?</b>	<b>Comment/LD 1045 Citation</b>
<b>Universal Coverage</b>	Yes	Plan will “Ensure all residents of this State are covered uniformly and unrelated to their employment status.”
<b>Cost Constraint</b>	Yes	1. Plan will “Reduce costs by cutting administrative bureaucracy...” 2. “The board shall set annual budgets for institutional providers,” negotiate prices “for covered pharmaceuticals, medical supplies...”
<b>Publicly funded</b>	Yes	1. All funding sources merged into the Maine Health Care Fund, which reimburses providers. 2. “[N]o deductible, copayment, coinsurance or other cost sharing may be imposed...”
<b>Comprehensive</b>	Yes	Plan will “Cover all necessary care, including dental, vision and hearing, mental health, chemical dependency treatment, prescription drugs, medical equipment and supplies, long-term care and home care.”
<b>Portable</b>	Yes	Not employment based
<b>Provider-Directed Care</b>	?	Providers will be free of insurers’ control; Plan control (pre-authorizations, etc.) is not specified.
<b>Patient Choice</b>	Yes	Plan will “Allow patients to choose their providers” and “Referrals are not required.”
<b>Simple &amp; Efficient</b>	Yes	Board will “Use a simple funding and payment system” and “[minimize] administrative costs,” both provisions serving to eliminate administrative complexity not necessary for the provision of medical care, such as medical underwriting, (e.g. the exclusion of coverage of pre-existing conditions).
<b>Public Good Over Profit</b>	Yes	“The Maine Health Care Plan is established in order to keep residents of this State healthy and provide the best quality of health care.”