

Testimony Before the Healthcare Coverage, Insurance and Financial Services  
Committee  
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I am providing this testimony as chair of the board of Maine AllCare, a non-profit organization that since 2010 has advocated for universal, high quality, publicly funded health care for all Maine people.

Our supporters have testified before this committee and its predecessors many times, and you have heard the case in favor of a single payer health care system before. Those arguments remain relevant.

Today's hearing, prompted by the public dispute between two large players in Maine's health insurance and delivery system, points to a dire need for financing reforms and oversight.

There is widespread agreement that health care costs are out of control. And the issue that brings us here is a stunning example of why market forces can't do the job. Instead, every player attempts to develop large and exclusive healthcare networks for market domination and thus control of prices.

Insurance networks are a result of market attempts to manage expenses with the quest for more profit as the motivating factor, not the benefit of the customers and patients. Hospital networks shift prices so that Peter pays for Paul. The time, effort and money involved in playing these games costs us all millions.

An effective universal health care system would have a unified payment mechanism (often referred to as single payer) to control costs and, like Medicare, to pay bills promptly and fairly. Were that in effect, we would not be here today.

There may be a solution. At the end of the 130th Legislature, this committee voted in favor of, and the full legislature passed, LD1045, the Maine Health Care Act (PL391). What started out as a detailed and fulsome plan for universal health care was amended to a simple three-page bill that would direct a Maine Health Care Board to write a plan for universal health care for all Maine residents.

The Maine Health Care Act cannot take effect unless federal law is enacted that authorizes a state to obtain a waiver to establish a state-based universal health care plan and to receive federal financing for that plan. Using Section 1332 waivers in the Affordable Care Act, this may be achievable and is under consideration.

We've got to start somewhere. Patients, individually, are powerless against the likes of Anthem and MaineHealth. Unless and until the legislature decides to take serious action to put a universal plan in place, we can expect more of the same. There are no innocents in this mess except us citizens.