

All Maine Health Program Summary

Maine AllCare Policy Committee

August 2024

Our current healthcare “system” is complicated and inefficient, costs too much, and leaves many uninsured and/or unable to get the care they need. It provides inequitable care and produces poor health outcomes. As of 2020, the most recent data available, Maine had the 10th highest per capita health expenditures in the country. ([Maine Office of Affordable Health Care Annual Report, January 2024](#))

In a [survey conducted in December 2022](#), nearly 70% of Mainers said they believed just one major medical event or illness could bankrupt them. More than one in three skipped or delayed going to the doctor when they were sick due to costs. One in four cut pills in half, skipped doses of a medication, or delayed or did not fill a prescription due to cost. Nearly all Mainers surveyed (89%) believe it is highly important that everyone in the state has access to comprehensive health insurance.

The All Maine Health Program (AMHP) is a proposal for a health care system that would ensure that all Maine residents have affordable, comprehensive, and equitable health care, publicly funded and privately provided. Maine AllCare’s Policy Committee developed the AMHP (Program) after review of pertinent literature on state-based universal health care and universal health care bills previously proposed in twenty-two other states ([bibliography available](#)).

The AMHP (Program) is established to keep residents of this state healthy and provide the highest quality health care, including a focus on preventive care and early intervention. It will address imbalances in access to health care in urban and rural areas, and it is expected to improve socioeconomic and racial disparities in access to health care.

The AMHP (Program) will ensure all residents of this State are covered uniformly and unrelated to their employment status. It will cover all necessary care, including dental, vision and hearing, mental health, chemical dependency treatment, prescription drugs, medical equipment and supplies, and hospital and home care.

The AMHP (Program) will allow patients to choose their providers and work to increase their numbers so that access to care is timely. It will reduce costs by cutting administrative bureaucracy, not by restricting or denying care. It will use a simplified funding and payment system and provide adequate and timely negotiated payments to providers. Premiums will be based on the ability to pay and cost sharing will be eliminated.

Section 1 – All Maine Health Agency Establishment and Definitions.

This section establishes and names the Agency and Offices critical to the functioning of the Program, including an All Maine Health Agency (AMHA) to be overseen by an All Maine Health Board (AMHB) that will manage an All Maine Health Plan (AMHPlan) of publicly funded, privately provided comprehensive healthcare services for Maine residents. Implementation of a bill based on the AMHP (Program) will require federal waivers and acceptance by the Maine Legislature of a fiscal analysis of the AMHP (Program), including expenditures, savings, funding, and comparison of costs

All Maine Health Program Summary

Maine AllCare Policy Committee

August 2024

to various demographics in the AMHP (Program) system as compared to their costs in the present system.

A severability clause ensures survival of the AMHP (Program) in the event any provisions are held invalid.

Terms used are defined in Definitions, including distinction between the system being proposed (AMHP) and the health care policy it will offer (AMHPlan)

Section 2 – All Maine Health Agency, Board, Offices, and Funding

The Agency will be situated within the Maine Department of Health and Human Services or will be free standing so as to maintain consistency and fiscal independence.

The Board will be named by the Governor and composed of a balanced mix of community members, employers, providers, health policy and legal experts and analysts, so as to represent the varied stakeholder interests within the State, including both urban and rural. The general and management duties of said Board are explained in detail. The Board will coordinate and supervise activities of its offices and agencies, which will include : (1) All Maine Health Fund (AMHF) Office, (2) Provider Payment Negotiation Office (PPNO), (3) Pharmaceutical and Medical Device Price Negotiation Office, (4) Claims Processing Office, (5) Healthcare Data Office, (6) Quality Assurance Office, (7) Fraud Investigation Office, (8) Public Engagement Office (9) Health Care Advisory Committee.

The All Maine Health Fund (AMHF) will be the recipient of revenues collected and consolidate as many payment sources as feasible into a unified claims payment system. It will have Startup, Operating, Capital, and Reserve Accounts. Revenue sources will include federal funds accessed through Medicare, MaineCare (with possibly increased eligibility levels), and the Marketplace; together with taxes assessed on all residents according to income (earned and unearned) and a business health tax based on payroll. Additional revenues may be derived from minimal cost-sharing (e.g., small copayments), but there will be no deductibles. Specific rates are not included but may be estimated by fiscal analysis of the system described in the final draft, and will be required as part of any passed bill.

Healthcare costs must be collected from collateral sources whenever medical services provided to an individual are, or may be, covered services under a policy of insurance, or another collateral source (subrogation).

A Provider Payment Negotiation Office (PPNO) will negotiate and establish fair payments for professional and institutional providers. All physician professional providers licensed to practice in this State, and other professional providers as determined by the AMHB (Board), may participate in the AMHP (Program). Participating professional providers must be licensed as recognized by the Maine Board of Licensure in Medicine and other relevant licensing authorities.

All Maine Health Program Summary

Maine AllCare Policy Committee

August 2024

For independent professional providers, the PPNO (Office) shall negotiate fees based on a Medicare fee-for-service model with providers or their representatives. The Office will negotiate fee schedules for employed professional providers currently billing individually for encounters based again on a Medicare fee-for-service model. Payment of said fees may go to either the provider directly or to the institution where he/she is employed.

Alternative reimbursement models may be considered. Payment rates will take into consideration local historical rates, projected regional needs, balance between specialty and primary care services, gender inequities, and other issues, with the aim to attract providers to, and discourage their exodus from, the state.

The PPNO (Office) shall negotiate annual global budgets (Operating and Capital budgets) with institutional providers. In view of the novelty, complexity, and cost of negotiating such budgets, transitional institutional funding could be considered during and for several years after the transition period.

Pharmaceutical and medical device prices shall be negotiated by the Pharmaceutical and Medical Device Price Negotiation Office on an open-bid competitive basis. This office will establish a prescription drug formulary system that promotes the use of generic medication to the greatest extent possible and discourages the use of ineffective or excessively costly medications when better alternatives are available. It may seek other means of financing drugs and equipment at the lowest possible cost.

Section 3- Eligibility

All residents of Maine, including non-citizens, are eligible for the AMHPlan (Plan), including individuals currently uninsured, individually insured through commercial insurance, covered through federal programs, and covered by self-insured and fully-insured employer plans. Upon implementation of the AMHP (Program), they will be considered enrolled and notified of their enrollment as well as of their option to disenroll. Traditional Medicare recipients would be eligible for wraparound coverage that would include the elimination of co-payments and deductibles and include the dental, vision, and hearing benefits offered in the AMHPlan (Plan); as well as premium assistance for drug coverage. Maine residents currently covered by Medicare Part C (Medicare Advantage) plans will have the option to switch to Traditional Medicare and be eligible for the options listed above. The Plan may apply to become a Medicare Part C entity.

The AMHB (Board) will apply to the Center for Medicare & Medicaid Services for waivers to allow the AMHP (Program) to absorb MaineCare (exclusive of long-term care unless the AMHB [Board] provides for that) and the State Children's Health Insurance Program, and to receive all federal and state monies now supporting those plans.

For the beneficiaries of the Indian Health Service, Veterans Affairs, and Tri-Care plans, the AMHP (Program) will serve as secondary payer for AMHPlan (Plan) benefits those plans do not cover.

All Maine Health Program Summary

Maine AllCare Policy Committee

August 2024

The AMHB (Board) may extend eligibility for the plan to nonresidents employed in Maine and to out-of-state Maine workers.

Nothing in this section limits a self-insuring employer's right to maintain an employee health benefit plan.

Section 4 – Benefits

Benefits will be defined by the AMHB (Board), to include dental, vision and hearing benefits; improved mental health and substance abuse benefits; language interpretation; contraceptive, abortion, and women’s services; hospice and palliative care; care coordination; and gender affirming care. They do not include long term care, which will continue to be covered through MaineCare.

The AMHP (Program) shall not require prior authorization for any healthcare service in any manner more restrictive of access to or payment for the service than would be required for the service under Medicare Part A or B. No healthcare service shall be denied because the condition at issue existed prior to passage of the AMHP (Program) into law (no “pre-existing condition” limitation). AMHPlan enrollees may purchase private health insurance for services not covered in the AMHPlan.

Section 5 - Transition process

The AMHP (Program) outlines a detailed process of transition from implementation after passage to funding of the Startup account and Board selection and its pursuit of its duties, including the seeking of waivers and exemptions, obtaining necessary fiscal analyses, seeking modification of state laws and regulations as needed, educating the public and individual and institutional providers about the AMHP (Program), and beginning active enrollment in the AMHPlan (Plan). The Legislature will only proceed to full implementation of the original or modified bill after receiving an acceptable fiscal analysis. Studies of universal health care in Maine by Mathematica in 2003, the Maine Center for Economic Policy in 2019, and MECEP in 2024 utilizing a MaineCare expansion model, all suggest such an analysis would be acceptable.

Section 6 – Displaced workers and retraining

The AMHA (Agency) shall assist in retraining, job placement, and wage replacement for administrative workers (those employed both by insurance companies and by providers) displaced by the AMHP (Program). The displaced worker support program will emphasize retraining and placement into clinical fields where appropriate, to help handle any increase in demand for healthcare.