



# Maine ALLCare

DEDICATED TO UNIVERSAL, HIGH-QUALITY AND AFFORDABLE HEALTHCARE FOR THE PEOPLE OF MAINE

## **What is state-based universal health care?**

State-based universal health care, also referred to as “state single-payer”, is defined as a plan to achieve universal health care coverage for all residents in a state by combining financing for health care services into a single, state-administered payer. “State single-payer bills share many common elements: They all provided universal eligibility for state residents, and most also included expansive provider eligibility, rate-setting for health care services and prescription drugs, low or no cost sharing for patients, [and] comprehensive benefits...” [Health Affairs, 2019](#)

## **Why does Maine need universal health care?**

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.*

## **What is the All Maine Health Program?**

The All Maine Health Program (AMHP) is a proposal for a health care system that would ensure all Maine residents have easily accessible, affordable, comprehensive, and equitable health care, publicly funded and privately provided. Maine AllCare’s Policy Committee developed the AMHP in 2024, after a review of literature on state-based universal health care plans and a review of universal health care bills previously proposed in twenty-two other states.

## **Is state-based single payer feasible for states with small populations?**

In a word, YES. When negotiating prices, the clout of small states would be less, but the relative simplicity of a smaller and likely more homogenous population would be an advantage. In Maine for example, with a relatively smaller risk pool, a [2019 fiscal feasibility study](#) showed that total health care spending could decrease by \$1.5 billion annually, with a state-level publicly-funded plan that would cover all Maine residents with no fee at the point of service.

## **How would states pay for state-based universal plans?**

Universal healthcare doesn’t require new funds in addition to what we’re paying now. Instead, we shift what we’re paying in private insurance costs to predictable quarterly (or annual) taxes or premiums. In

addition, to support state funds, federal funding can be obtained following the granting of necessary Medicare and Medicaid waivers as stipulated under the Affordable Care Act.

We can pay to cover everyone, and save money 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 have high administrative overhead, whereas Government-run programs do not. This is demonstrated most simply by Medicare, where the overhead is 2-4%, in contrast to mean overhead costs (not including profits) of over 17% in private insurance companies.

In a universal system, costly denials and appeals from private insurance companies are eliminated. We'd no longer pay deductibles or exorbitant co-pays. There would be no out-of-network charges or medical bankruptcy. Cost savings are achieved through price negotiation, global budgets and reduction in administrative complexity.

For more information on the fiscal feasibility of Maine's and other states' single payer plans, see reports [HERE](#).

**How would the single-payer system handle Maine's health care challenges (e.g., addiction, rural hospital closures, pandemics, and shortages of mental health and primary care providers) differently from the way the present system does?**

Problems like these, rather than profits or competitive advantage, would be prioritized. Established lines of communication between the state and most providers would facilitate the response to public health crises.

**How would Mainers enrolled in federal programs be covered?**

Depending on provisions of the plan and waivers obtained, they would be enrolled in the state plan, or they could remain in the federal programs and receive supplemental benefits or subsidies. We envision that the All Maine Health Plan could function as supplemental plan for any gaps in Federal coverage, ending the need for Mainers to enroll in "Advantage" or "Medigap" supplemental plans.

**How would Mainers enrolled in workplace plans be covered?**

All residents of Maine would be covered by the All Maine Health Plan. Employees and employers would consider which options of health coverage to keep or use. We believe the appeal and motivations of the state plan would convince workers and employers to switch to it.

**Will state healthcare funding compete with other state programs, and will financing be unstable? How will states avoid deficits in their budgets?**

State plans should (and all serious proposals do) include dedicated trust and reserve accounts to fund the healthcare system according to statutory guidelines. Reinsurance and provisions for federal assistance in times of financial crisis can also be included in plans.