



I am a retired Maine internist. I've been concerned about inequities in healthcare for decades. Both Republicans and Democrats of the Insurance and Finance Committee are sufficiently concerned that they passed LD1274, unanimously. This Study Group could take leadership and enhance that Committee's initiative. I implore you to do so! Recommend a bold solution - that every Maine toddler, teen and adult be awarded comprehensive healthcare benefits, guaranteed through public funding. I offer you the following three ideas.

**First, this is Maine's moral imperative!** Every single day, uninsured or poorly insured Mainers add death or financial ruin to the suffering caused by delayed medical care, or worse, no care at all. And every day, Federal action worsens that suffering.

**Second, Maine can do this!** Surely, change is disruptive, but Taiwan revamped completely in 1995, Thailand in 2002, and no one suggests going back. Tiny Iceland, with less than one-third Maine's population, guarantees tax-based universal coverage. Most OECD countries consider healthcare a public good, pay approximately half what we spend, and generally enjoy better medical outcomes. Twenty-two U.S. states anticipate change, and Washington State's advocacy group just released a ballot initiative text and a thorough, credible economic study with details for structuring their State system. ( [www.wholewashington.org](http://www.wholewashington.org) )

**Third, Mainers already pay enough!** At least 30% of Maine's healthcare expenditures do not buy healthcare. Our byzantine system wastes vast sums on administrative complexities. Corporations amass huge amounts for unnecessary services, salaries, and profits. Years of failed attempts document that incremental change within a commodity-based system will neither lower costs nor cover everyone.

To conclude, Insurance and Finance understood WHY Maine must act, and abundant evidence shows HOW Maine could succeed. Assuredly, your task is not to design a system, but to act boldly to acknowledge the availability of expertise about the practical mechanics and to urge the Legislature to do the right thing for Maine healthcare! I beseech this Study Group to forego tweaks and to recommend universal coverage that benefits everyone according to need, and for which everyone pays according to ability. Now IS the time!

Task Force for Maine Health Care Coverage for All of Maine  
Public Testimony: March 2, 2018

I would like to introduce my testimony by informing you that it is both spectacular and mundane. In the last two years both my aunt and mother were diagnosed with advanced stage cancers at the age of 51. They were both fortunate to have social workers and patient advocates to help them navigate the complex world of hospital billing, insurance payment practices, FMLA, disability, ACA credits, and shopping the marketplace. Despite having access to these critical inputs both situations held their own set of complications.

As a chronic cancer patient, my aunt is no longer able to work. Her modest Social Security disability income places her over the limit for MaineCare, this is a current source of frustration given that due to regulations she is continually prompted to reapply which results in yet another denial. The first year of her illness we needed to host a fundraiser in order to pay her \$3,000 insurance deductible. She has been more fortunate in the marketplace this year. We do not know what to expect next year, or further into the future in regard to marketplace affordability. We do know that she needs to continue to receive weekly Taxol infusions until the point when they are no longer effective. This medication is costly and if future coverage requires cost sharing she would be unable to afford the treatment.

My mother received a plethora of advice regarding what to do at the end of her 12 weeks of FMLA. This was overwhelming for all of us. She could not apply for COBRA or long-term disability until FMLA ended, which left her with an insurance gap that lasted the majority of the month of January. She was also left with no income and has had to rely heavily on a personal loan she originally intended for home repairs. While we worried over finances she also underwent emergency surgery. When you are in the midst of a life threatening situation it only adds to the panic when you cannot foresee how you will ever cover the associated costs.

These frustrations and blessings all felt extraordinary to us as we lived through them, however they are representative of many Maine cancer stories. I have wondered more than once if their health outcomes would be better if we lived north of the border, where financial restrictions do not impact healthcare nor place the undue burden of monetary stress on patients who need to focus all their energy on healing.

As a student of Public Health, my family circumstances have fueled my passion to advocate for a better system. As you consider the feasibility of universal healthcare for all the people of Maine please consider the corruption and greed which drives the current market for insurance and pharmaceuticals. I have included an article I recently wrote examining the role of the insurance industry in the ACA era. Attached is graphic featured in the article, I chose to include it here as well because I feel that it clearly punctuates everything that is wrong with business as usual in American healthcare.

I appreciate the opportunity to speak with you and I hope the Task Force will consider both my family testimony and research in future decisions.

Sincere Regards,  
Paige Boynton  
Master of Public Health Graduate Student  
University of New England

# Health Insurance Company CEOs' Total Direct Compensation in 2016



David Cordani, Cigna  
**\$21.9 million**  
(\$84,017 per day)



Stephen Hemsley, UnitedHealth  
**\$31.3 million**  
(\$119,918 per day)



Michael Neidorff, Centene  
**\$32.2 million**  
(\$123,225 per day)



Mark Bertolini, Aetna  
**\$41.7 million**  
(\$159,647 per day)



Bruce Broussard, Humana  
**\$17.0 million**  
(\$65,208 per day)



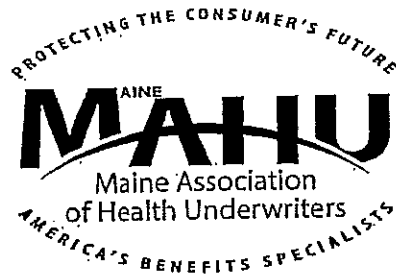
Joseph Swedish, Anthem  
**\$17.1 million**  
(\$65,356 per day)



**Median earnings of full-time wage and salary workers in 2016: \$43,264**

Sources: DEF 14A Schedules, Securities and Exchange Commission; Bureau of Labor Statistics; Current Population Survey.  
Annual CEO compensation includes salary, non-equity incentive pay, other compensation, and value of stock options exercised and stock awards that vested.  
In addition, these CEOs were given stock and option awards totaling \$78.6 million (in aggregate) this year, which will provide value in future years.

**PHYSICIANS FOR A NATIONAL HEALTH PROGRAM / WWW.PNHP.ORG / PNHP**



My name is Dan Colacino and I am here on behalf of the Maine Association of Health Underwriters, the trade association representing agents and brokers who sell health, disability and long term care insurance.

Let me start by saying our objective is the same as that outlined by the Task Force: to provide all residents of the State access to and coverage for affordable health care. We do not categorically oppose single payer, in fact many of us operate in that world today. The Medicare Advantage market is one example in which there is a single payer, the Federal Government but multiple private sector carriers administering the program under defined guidelines. One could also say that the Individual Marketplace resembles a Single Payer model with 75% of the people enrolled getting Advance Premium Tax Credits from the Federal Government and the plans all adhering to the 4 metal levels.

We think the approach that the Task Force is taking is positive and that's to realize that moving immediately into a Single Payer Model without first examining all the issues is a mistake. Vermont learned this as did Colorado. Second, we also believe that Maine should take on the responsibility of health care for our residents and not rely on Federal efforts which have been mercurial to say the least. Most of the proposals from the current Administration are recycled ideas from years past and are nothing more than a reshuffling of the current deck. In addition, as those 33 states who've committed to Medicaid expansion are learning, relying on the former Administration promise to pay up to 90% of the increased cost is tenuous to say the least.

The best starting point may be to focus on the areas that need the most attention rather than try to address the entire marketplace. According to the Kaiser Family Foundation, 49% of the residents are covered by employer sponsored insurance. A recent survey has shown that 71% of employees say they like their employer's health plan\* so rather than take on the employer and individual markets, efforts may be better spent on addressing the 5% who are in the individual market and the 7% who remain uninsured. Those are the areas which historically have been the most fragile and for which access is a major issue.

The public versus private sector solution is always controversial. We understand there is an intuitive appeal in turning everything over to a single entity, especially given the frustration of dealing with ever increasing medical costs. However, there is nothing inherent in a single payer model that addresses the causes of the underlying health care costs. It also raises the question of whether we want to turn

decisions on our health care over to an entity which seemingly has different priorities with each change in administration.

Competition in the private sector has driven innovation in attempting to control costs; disease management programs, wellness programs, managed care, etc. These were all subsequently incorporated into the public programs, Medicare and Medicaid but that generally followed their adoption by employer sponsored plans. These programs, many times using financial incentives, encourage and teach people how to adopt healthier lifestyles, which has a direct and much larger impact on health care costs than minimizing administrative costs. We don't feel that this same innovation will take place in a single government sponsored program. The farther people are removed from the consequences of their lifestyle behaviors, the less likely they are to try and modify their behaviors.

This brings up the larger issue of the driving force behind health insurance which is the cost of medical care. Insurance premiums are a direct reflection of the cost of care and neither Medicare nor Medicaid has shown to be any more effective than private sector plans in controlling costs. Various payment mechanisms such as Accountable Care Organizations and Medical Homes can make for a more efficient system but the reality is that the majority of cost, 64%, are incurred by less than 7% of the total population\*\*. Further, according to Michael Roizen, MD, the Chief Wellness Officer of the Cleveland Clinic, 87% of total health care expenditures are for the management of chronic disease and, of that amount, 75% can be improved or cured by changing lifestyle behaviors. Employer sponsored plans have been working at modification of lifestyle behaviors for over two decades and while the results are not overwhelming, there are the beginnings of some improvement.

We would propose these elements be addressed in any health care proposal;

1. Stabilizing the small group and individual market is critical in the short term. Recognizing that the majority of costs are from a small percentage of members, a State financed reinsurance mechanism, possibly using Federal dollars through a 1332 waiver, or employing market risk adjustment mechanisms could take catastrophic costs out of the health insurance premium which in turn would make insurance much more affordable in the short term.
2. Addressing lifestyle behavior related conditions is the long term solution to health care costs and will have lasting effects as opposed to finding ways to lower administrative costs. Any savings which result from lower administrative costs are a one time savings and do nothing to address underlying medical costs
3. The ACA has, in effect, established a single payer platform in the individual market by providing subsidies to the majority of people purchasing through the Marketplace. That model of single payer, which is also used in the Medicare Advantage market, may be a good model to look at for the Individual market while still allowing innovation and competition from the private sector.
4. No solution should be based on the assumption that the majority of funding is coming from the Federal government. There are always multiple sources competing for Federal money and as we're seeing with Medicaid and Medicare, even items funded under the mandatory budget are not safe from future cuts.

5. Establish mandatory standards for any carrier licensed in Maine as far as medical claim forms. We totally agree with the previous testimony from the prior in which the writer describes the patchwork system that providers have to deal with in filing health insurance claims. HIPAA was supposed to bring consistency but hasn't worked. That alone demonstrates that national efforts are never as effective as state level regulation.

\*Lutz Global Partners Study 2017

\*\*CIGNA book of business 2010

Thank you for your consideration and for the opportunity to address the task force. Our association would be pleased to answer any questions or offer any insights which you think may be helpful

Sincerely

Dan Colacino

Vice President/Legislative Chairperson

Maine Association of Health Underwriters

**TESTIMONY before the Task Force on Healthcare Coverage for All of Maine** —  
March 2, 2018 Augusta ME  
by Joe Lendvai 46 Apple Tree Point Lane, Brooklin ME 04616 jlendvai@maineallcare.org

Senator Whittemore, Representative Sanborn, and members of the Task Force, I am Joe Lendvai. I live in Brooklin, and I'm a member of Maine AllCare, a non-profit, non-partisan organization with a single mission, "to promote the establishment of publicly funded healthcare coverage for all Maine residents."

Thank you for allowing me to share some thoughts in support of universal healthcare, and make a couple specific recommendations that represent small steps which can be the initial building blocks toward full coverage of every person in Maine. These ideas fall within the "purpose" of the Joint Study Order under "Duties; design options".

**First, establish comprehensive healthcare coverage for every child in Maine, from infants to 18-year olds.** Our state's population is getting older, not younger. This presents an obvious problem for future growth, economic productivity and our collective well-being. We need a sea-change in financing healthcare delivery. It can start with providing medically necessary care including primary care, dental, eye, hearing care, mental health, prescription drugs, etc. for every child in Maine. A special focus on health education and prevention will be key. Make this a priority. Recommend it to the full Legislature for immediate action. Your bigger job of developing and submitting at least 3 different plans to cover every adult in Maine will be an ongoing process.

**Secondly, make a commitment to Eliminate Childhood Hunger in Maine.**

According to the **Good Shepard Food Bank** more than **55,000 children in Maine are living with food insecurity**, which is a euphemism for going hungry. 1 out of every 5 Maine kids struggles with hunger – the highest child hunger rate in all of New England. Another discouraging statistic: in 2016 over 161,000 people lived in poverty in our state, we're 24th in the nation. ([talkpoverty.org/state](http://talkpoverty.org/state)) Not the worst, but certainly not good! The research is clear that children living in food insecure homes are less able to learn than their well-fed peers, are absent from school more frequently, have more behavioral problems in the classroom, and are more prone to health issues. Let's provide breakfast, lunch and snacks to every child in every Maine school, every school day. This will ease the financial stress on all Maine families with children, and immediately improve the health of over 200,000 kids.

This too, you can do. Recommend it to the full Legislature for immediate action.

These two proposals can serve as a dry run in advance of the full universal coverage proposals that you are developing. A dry run, but one with real benefits to thousands of Maine families with children. Our message: we care about them! I'm sure you will agree, children are the most precious members of our society; they *are* our future.

Thank you. I will be glad to answer any of your questions.



I moved to Maine from Toronto two years ago with my husband, who is from here and missed home. We have spent the last 10 years working on and around farms, and we moved to Maine thinking it would be a good place to start a family and a farm of our own, given its agricultural history, strong communities and good supports for farmers. But one thing we didn't fully realize could get in our way was the insecure access to healthcare.

We were hopeful because we moved here after the Affordable Care Act was put in place. We thought we would be able to get affordable health insurance through the ACA as we started our business and slowly grew the farm. But even through the ACA, healthcare is unaffordable for us: the deductible and premiums were such that we knew we wouldn't be able to see a doctor easily.

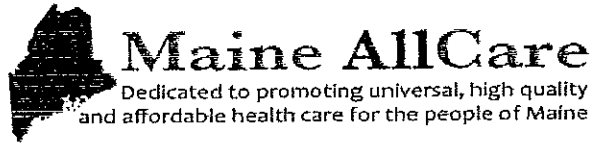
So, my husband continues working full time so that we can access health insurance through his employer. I spent the last two years starting our farm business. To say nothing of the other difficulties of operating a farm, it's been hard to grow this business with my husband only being able to contribute to the substantial workload on evenings and weekends.

Of course, we recognize that agriculture is not known to be a high margin business. Still, we would like to expand, hire employees, and contribute to Maine's economy and our community. But the cost of privately paying for health coverage for employees, not to mention ourselves, is extremely prohibitive to new businesses like ours.

Coming from Canada, I am used to being able to see a doctor whenever I need it. When I had a low-grade but persistent pain in my abdomen, for instance, I made an appointment with my family doctor or went to the walk in clinic near my house. No second thoughts. No copay, no deductible. I always had excellent doctors and could access any service I needed. I paid my share through my taxes. By paying together as a society, where everyone contributes and everyone benefits, health care costs in Canada are almost half of what they are in the United States (\$8233 per capita per year to Canada's \$4464.) .

Here, I have second thoughts when it comes to whether to go to the doctor. I know it's not wise from a preventive perspective, but we don't have a lot of dollars to spare. I have decent insurance and I still think twice - I can't imagine being one of the 30 million Americans who don't have it.

I grew up with the sense of security that you internalize when you know that if your life or health is ever in danger, you will get medical help, no matter what, and it won't cripple you with debt for the rest of your life. You'll get that help whenever you start to notice something is not right - not just if you show up at the emergency room after something terrible has happened. It doesn't matter if you break your leg, lose your job, get cancer, get a mental illness: your society, your province, your country will help you. I miss that sense of security a great deal. Don't misunderstand me - I love Maine. But healthcare is a social good; civilized societies ensure access is universal. Thank you.



## **Maine AllCare Mission Statement**

**Maine AllCare promotes the establishment of publicly funded healthcare coverage for all Maine residents. This system must be efficient, financially sound, politically sustainable and must provide benefits fairly distributed to all.**

**Maine AllCare advocates that healthcare, a basic necessity, be treated as a public good, since it is fundamental to our well-being as individuals and as a democratic nation.**

## **Maine AllCare Key Principles**

### **Universal Coverage**

***Every Maine resident is enrolled in the same system, regardless of health status, age, gender, place of residence, employment status or health history.***

### **Cost Constraint**

***Reasonable prices are negotiated with pharmaceutical companies, providers, and suppliers of medical goods. Savings are seen from eliminating the current for-profit system.***

### **Publicly funded**

***Every Maine resident contributes based on graduated taxes, which replace premiums. Bankruptcies due to medical expenses are eliminated.***

### **Comprehensive**

***All medically necessary care, including preventive care, is covered.***

### **Portable**

***Every Maine resident has the security of permanent, individual healthcare coverage, which is not tied to employment.***

### **Provider-Directed Care**

***Providers, rather than insurance companies, have the freedom to make clinical decisions based on standard of care and individual needs.***

### **Patient Choice**

***Every Maine resident has the freedom to choose providers and hospitals without worrying if they are "in-network."***

### **Simple & Efficient**

***A simpler system reduces waste, administrative costs and eliminates the current complexity of multiple insurers.***

### **Public Good Over Profit**

***Healthcare is delivered as a public good just like roads, police, fire protection and education rather than as a source of profit.***

Lynnea Hawkins

Taskforce members, thank you for allowing me to speak today in support of LCI274. My name is Lynnea Hawkins I live in Lewiston . I support Universal Healthcare, but I feel that a work requirement will make what should be a straightforward solution unnecessarily complicated.

I would like to share with you my healthcare story. In December of 2015 I lost probably the best paying job I have ever had. Because it did pay so well I was unable to keep my Mainecare, so for a year my teenage son and I were without health insurance. Six months while I was working and then six months after I lost my job and was struggling to get things fixed with DHHS. Finally last July I was able to get our Mainecare reinstated.

Here's why that was so important. December 17<sup>th</sup> I was getting ready to go see the new Star Wars movie, it was my friends treat and would have been my first time in the theatre in several years. My friend texted that he was on the way, so I went out front of my building to wait. As I stood in front of my building I lost my balance and fell, dislocating my right shoulder. Instead of the movies I went to the ER. I wasn't thinking about insurance while the doctors x-rayed my shoulder. I wasn't thinking about insurance when I was sedated so they could put my shoulder back into socket. But the next couple of days when my arm was immobile and I realized I might be getting a bill I sure thought about it. So, I called the billing department and checked that Mainecare had covered my treatment that day. I was so relieved when I was told it had. Out of curiosity I asked how much it would have cost without my Mainecare, I was told nearly \$6000.

Once of the reasons I am here is because people keep talking about work requirements. And it doesn't sound like a bad thing at first. And then I realized, when I fell I wasn't working. If I had had a work requirement I would not have had insurance, I would have been unemployed, unable to work, and now in what if for me is a large amount of debt. Do you see the problem with that scenario? If people can't stay healthy people can't work, it's not a hard concept. My concern is that a blanket work requirement will work directly against the whole point of Universal Healthcare. We need common sense rules to follow, rules that actually work. Making older people work so they can receive healthcare is wrong, making young people who are in school split their focus so that they can work and have healthcare is wrong. I graduated from college in 2015, and I will tell you I chose to leave my full time job because I could not handle my job and my course load. College is not easy, it requires commitment and sometimes sacrifice. Please think long and hard before you take what should be common sense and make it a complicated mess.

Hello - My name is Delene Perley and I live in Portland.

As you well know universal healthcare saves money, while helping everyone have the security of healthcare and therefore the freedom from worry about the next medical crisis.

I volunteer as a coordinator of a food pantry in Portland. Clients come to the pantry telling us that they worked but then had a medical issue that forced them to be unable to continue to work. When that happened, they lost their health insurance, spent down their savings, ended up selling their house, moved in with relatives and are now at a food pantry, a place to which they never imagined needing to go.

Medical bankruptcies do not happen in other first world countries, all of which have healthcare that is not dependent on employment. Here in Maine one can be employed and still not have any, or at the very least, affordable healthcare.

I was in a shop in Scarborough recently with five employees. The person serving me was the owner. He told me that no one, who worked there, including himself, had healthcare except the one who was over 65. The owner is just hoping to get on Medicare in a couple of years without a major medical catastrophe.

This means preventive care often does not happen. It is expensive with huge costs and high deductibles. If YOU have affordable coverage, consider yourself lucky.

We in Maine lament that our young people do not stay here or that our population is aging. Support for state programs need income from workers. This summer I met a couple from the west on a hiking trail near Eastport. One of them is recently retired and the other is working from home. They recently moved here because they love living in our state's environment. They are building a home here. We could attract many other such workers to our state if we had healthcare to offer them.

If Canada could do this one province at a time, surely we could follow their example. Let's care for our citizens, attract others to come here, provide for healthcare security for everyone and set an example for other states. In the nation and in our state we have a very volatile healthcare environment right now. It doesn't have to be like that. Thank you for all your work on this issue. It is extremely valuable. I, for one, will be watching for some thoughtful and useful outcomes.

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Task Force on Health Care Coverage for All of Maine March 2, 2018

Senator Whittemore, Representative Sanborn and Honorable Task Force Members, thank you again for your work and ongoing discussion of this most vital concern for all your families, friends, neighbors, and even those who you may not know.

When we met in Jan., I was pleased to present some views during the public forum. How amazing it is to hear the personal and pertinent testimonial from our public and I thank them all for appearing. I return today to again add my voice and relay information that may help to emphasize our need for a universal care plan to cover all our Maine folks.

I wanted to discuss one key point today and that is insurance availability and its troublesome link to employment. While in my Family Practice in Gorham, for the past 30 years, I felt as though the wonderful patients I helped care for had become my second family, and therefore I was their advocate and protector. I always considered myself as the "Fixer", treating, advising, consoling, ready to answer as best I could their questions. Often though I could not help with questions of insurance, or rather, insurability and affordability. How distressing it was to not be able to help a patient or family member who was stressed from a less than satisfactory job, but unable to cope with leaving because "I need to keep the insurance". "I need to keep the insurance". This refrain occurred numerous times, from numerous families. The result often was a patient that was less likely to respond as well to treatment and may have concurrent illness due to the stress and hardship they faced, or at least, did not help their wellness.

Even at times when the insurance was there, deductibles, copays, pharmacy costs, well, you know.... All the major trappings in our broken healthcare system of which we're all aware, become overwhelming. Again, leading to stress, illness, fear, hopeless debt. **It just gets in the way of excellent healthcare.** It is a hindrance that prohibits healthcare workers to do their job, that is, to maintain the best health the patient could attain without all the extra turmoil of "How can I afford it?".

It seems to me that linking insurance to employment not only traps some folks in a less than satisfactory job, but also stops folks from growing, exploring new options for work, moving onto better things, starting a new business, or, with Maine's future in mind, even losing new employee applicants due to what is or is not offered for insurance.

By removing the "Insurance-Employment Question" from the equation, we get an even playing field thus allowing people to make better decisions for their future. It is an indirect route to promote a healthier population. It seems to work well for other industrialized nations, we can learn a lot from their experience. Please consider this in your goal to get our Maine folks on board with improved complete healthcare **for all.**

Thank you for your time.

Sincerely,

  
John Brewer, DO (ret)

100 Hicks St, Portland, ME

# Universal Health Care Coverage

Stephen Saylor PA-C

158 Range Rd Cumberland ME

Practicing Physician Assistant since 1994 having worked in a variety of clinical settings and have found that every single person needs healthcare. It has been debated whether or not Health Care is a a right and since 1976, because of Estelle Vs Gamble we do have a Universal Right to Health Care but only if you are incarcerated. The court found the "the deliberate failure of prison authorities to address the medical needs of an inmate constitutes "cruel and unusual punishment". However once a civilian good luck, you are on your own. Positive Vs Negative rights philosophical arguments aside healthcare is universally necessary for every single person and I argue its time for the USA to catch up with the rest of the world and develop Universal Health Care coverage.

Having provided healthcare in government and private facilities and being a consumer of healthcare its no surprise that medical care in the USA is extraordinarily expensive. We know that Uninsured adults in poor health are less likely to seek care or have a usual source for health care and report more problems with paying medical bills. However with implementation of the ACA while certainly having significant drawbacks we did see a slowing down in health care related expenses, expanded coverage and a decrease in health care caused bankruptcies, but without healthcare coverage an average person or family could become bankrupt with a single accident or disease whether it be through no fault of their own or from an unhealthy lifestyle and taking unnecessary risk. I have seen hardworking rural farmers, carpenters, laborers, loggers, athletes and factory workers struck down

with cancer, autoimmune disease, diabetes or accidents unable to continue working, losing both their job and healthcare coverage and having to apply for public assistance while piling up such debt that some have had to make the terrible decision to mortgage their home, tap retirement or kids college savings just to pay for life sustaining treatments, an experience completely absurd to the citizens of the majority of other first world countries.

## AMERICA FIRST

The U.S. has the highest rate of deaths amenable to health care among comparable countries:

Disease burden is higher in the U.S. than in comparable countries:

Hospital admissions for preventable diseases are more frequent in the U.S. than in comparable countries

## The U.S. has higher rates of medical, medication, and lab errors than comparable countries

Healthcare is a market but it is not a free market it is a captured market. I have never seen a patient shop around for the best most cost effective Trauma Surgeon when bleeding to death, you will never see a family member haggle, dither or shop around for the best price for a head MRI to rule out a brain tumor. Nobody is going to try to find the cheapest cut rate cancer care or trauma care for their child who was struck down with retinal blastoma or a car accident and I dare you to tell me of a magical free market solution. Tell me how much are you willing to pay for your loved one to get life saving or life sustaining treatment? Through favorable federal legislation I have seen Pharmaceutical companies take inexpensive generic drugs such as albuterol and colchicine, completely affordable even without insurance in the 1990s and rebrand them as a Name Brand drug increasing the price 10 times over. I have found People are willing to sacrifice every dime to save a loved one, health care is not and never could be a free market, Health care is a captured market its a market where everyone participates, there is no argument against Universal Coverage but plenty of room for argument on how to pay for it.

<https://www.healthsystemtracker.org>

Kaiser Family Foundation analysis of National Health Interview Survey



Presented to the Health Care Task Force

March 2, 2018

Senator Whittemore, Representative Sanborn, and members of the task force, my name is Beth Franklin, and I currently live in Cumberland. Thank you all for giving of your time and energy to serve on this important task force.

I served on the Falmouth School Board from 2005-2011 and as chair of the board for the last two of those years. During my tenure as chair, we innocently began investigating how we might lower our health care premiums, and we discovered that if we could move the teachers to the same plan as the town employees, we would save about \$400k in the \$24m budget. We were exuberant! We had no idea that the MEA Benefits Trust had been set up specifically to administer the health insurance program for the state's teachers, and that we had no options for doing anything different.

As we dug into this, we found more issues that we felt were contributing to costs. In an article from the Portland Press Herald from Tuesday, April 19<sup>th</sup>, 2011, it was reported that "...Since 1993, the MEA Benefits Trust has accumulated assets of \$80.2 million from administrative fees and rebates received from the insurer, and from appreciation and interest earned on assets." Furthermore, the director of the trust reported that annual premiums to Anthem had grown, at that time, to nearly \$400 million. The article goes on to calculate the total net revenue for the MEA Benefits Trust as being \$8.7 million for 2009. This is ONLY for administration.

This example points out a number of egregious flaws in our current system of financing health care.

1. If you think of health care as a business, then it seems reasonable that the business would do everything possible to consolidate like functions and create as much buying power as possible. Think how much we'd save if we merged everyone into a single funnel to get the best price possible. In the example, if we had been able to merge our teachers with the municipal plan, we could have saved a lot of money at a time of declining school budgets.

2. In my earlier life, I worked for then Congressman Trent Lott, my hometown congressman. And, at the time, Ronald Reagan was president. The catch phrase at the time was eliminating "waste, fraud, and abuse." This school example really shines a light on how much waste is in the system. The MEA Benefits Trust did nothing but administration, and for that got \$8.7 million??? And, premiums to Anthem were \$400 million? In 2009??? Think what they are today.

Slicing and dicing our citizens into risk categories and then administering convoluted schemes to support a for profit system of medicine in order maximize return for shareholders is KILLING us! These profits are created at the expense of the common good and drive up the cost of healthcare for all of us. I don't begrudge these companies or the MEA Benefits Trust for behaving this way. It's you and me who allow it to happen.

So, those of you who are in the legislature, what are you planning to do? I contributed money to see this task force get up and running and tackle how we might provide health care (not insurance, but health care) to everyone in the state. Four sessions for this task force is just going to get you started. Will you continue this work into the next legislative session? And, will each of you commit to looking at this with a fresh, non-partisan eye? People's lives depend on it.

SP 592 Task Force on Healthcare Coverage for All Maine on March 2, 2018

Testimony of Valerie Dornan

Senator Whittemore, Representative Sanborne, Members of the Committee, good afternoon.

Last year I was ice skating on a pond. I looked back to tell my friends I was leaving and did not see the twig frozen in the ice. It tripped me, sent me flying unexpectedly and crashing down on my arm which broke very badly, near my shoulder.

My orthopedic surgeon explained that the bone could die; the treatment was carefully explained and the surgeon would monitor the progress, but if the worst happened, surgery would have to be performed. It was weeks of recovery as the bone slowly knit itself together. I followed the doctor's orders to the letter. Every time I returned to the hospital, I asked the surgeon if we were in the clear, if surgery could be avoided. Close to two months after the break, we got the answer we both wanted: my arm was healed.

The surgeon had been scrupulous in caring for me. The best outcome had been achieved.

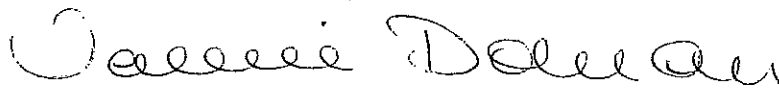
**But, that surgeon is no longer in our hospital.** Because of the skill and dedication which spared the need for surgery and because the surgeon only performed two surgeries a week, instead of one or two a day, the surgeon was not 'bringing in enough revenue' and was asked to take a pay cut. The surgeon is top notch, providing the best care for patients; but that is not the criterion applied to doctor performance evaluation: the amount of money brought in is the measuring stick. How about the fact that that surgeon worked tirelessly all week consulting with patients and overseeing their care, with not a moment to spare? That surgeon left. That is an immeasurable loss for our hospital, for our people.

What will happen to patients who come in now? Will they be subjected to unnecessary surgery so a profit can be made? Will they have to travel long distances for treatment? It does not bear thinking about.

And in the larger picture: Will that surgeon be able to maintain the medical integrity practiced here, or will the current system in our country erode and destroy it... down the road, will that doctor have to choose between doing what is right for the patient and professional job stability?

The for-profit healthcare structure is in complete antithesis to good practice. One doctor said to me that if he made the decisions the for profit interests were imposing on the profession, **he "would lose (his) license"**. He, himself, spends hours advocating for his patients and even so, his patients are often denied the procedures he prescribes.

Our dedicated medical staff does not deserve these roadblocks. They need to be allowed to practice good medicine in the full spirit of the caring profession they have chosen; their patients deserve sound medical practice. Senator Whittemore, Representative Sanborne, Members of the Committee, the people of Maine are looking to you.



Respectfully submitted: Valerie Dornan, Maine AllCare Ellsworth/MDI, Hancock, Maine



# Maine AllCare

Dedicated to promoting universal, high quality  
and affordable health care for the people of Maine

## Maine AllCare Mission Statement

Maine AllCare promotes the establishment of publicly funded healthcare coverage for all Maine residents. This system must be efficient, financially sound, politically sustainable and must provide benefits fairly distributed to all.

Maine AllCare advocates that healthcare, a basic necessity, be treated as a public good, since it is fundamental to our well-being as individuals and as a democratic nation.

## Maine AllCare Key Principles

### Universal Coverage

*Every Maine resident is enrolled in the same system, regardless of health status, age, gender, place of residence, employment status or health history.*

### Cost Constraint

*Reasonable prices are negotiated with pharmaceutical companies, providers, and suppliers of medical goods. Savings are seen from eliminating the current for-profit system.*

### Publicly funded

*Every Maine resident contributes based on graduated taxes, which replace premiums. Bankruptcies due to medical expenses are eliminated.*

### Comprehensive

*All medically necessary care, including preventive care, is covered.*

### Portable

*Every Maine resident has the security of permanent, individual healthcare coverage, which is not tied to employment.*

### Provider-Directed Care

*Providers, rather than insurance companies, have the freedom to make clinical decisions based on standard of care and individual needs.*

### Patient Choice

*Every Maine resident has the freedom to choose providers and hospitals without worrying if they are "in-network."*

### Simple & Efficient

*A simpler system reduces waste, administrative costs and eliminates the current complexity of multiple insurers.*

### Public Good Over Profit

*Healthcare is delivered as a public good just like roads, police, fire protection and education rather than as a source of profit.*