



# Maine AFL-CIO

21 Gabriel Dr., Augusta, ME 04330

March 25, 2015

**Testimony of Matt Schlobohm, Maine AFL-CIO Executive Director, in Support of LD 384, Resolve,  
To Study the Design and Implementation of Options for a Universal Health Care Plan in the State  
That Is in Compliance with the Federal Patient Protection and Affordable Care Act”  
and  
LD 815, An Act To Establish a Single-payor, Universal Health Care System**

Good afternoon, Senator Whittemore, Representative Beck and members of the Insurance and Financial Services Committee. My name is Matt Schlobohm. I'm the Executive Director of the Maine AFL-CIO. We represent 40,000 working men and women in Maine and we work to improve the lives and working conditions of our members and all working people. We testify today in support of LD 384 and LD 815.

We strongly support health care as a fundamental human right. We believe healthcare should be a public good like public schools, roads and fire/police protection and not a market commodity. We support a universal, publicly financed healthcare system where healthcare is decoupled from employment.

Our efforts to establish a system where healthcare is truly a human right are guided by five human rights principles - *universality, equity, accountability, transparency and participation*. We use these to guide our work and to evaluate healthcare reform proposals and specific legislation

**Universality** is the principle that human rights must be afforded to everyone, without exception. It is by virtue of being human that everyone person is entitled to human rights.

**Equity** is the principle that every person is entitled to the same ability to enjoy human rights. Healthcare resources and services must be distributed and accessed according to people's needs, not according to payment, privilege or any other factor. Disparities and discrimination in healthcare must be eliminated, as must any barriers resulting from policies or practices.

**Accountability** is the principle that mechanisms must exist to enable enforcement of human rights. It is not enough merely to recognize human rights. There must be means of holding the government accountable for failing to meet human rights standards.

**Transparency** is the principle that government must be open with regard to information and decision-making processes. People must be able to know how public institutions needed to protect human rights are managed and run.

**Participation** is the principle that government must engage people and support their participation in decisions about how their human rights are ensured.

Based on these principles we support LD 384 and LD 815.

## **Why We Support Healthcare as a Human Right and Public Good**

There are four primary reasons why we support healthcare as a human right and public good.

I. Our current patchwork healthcare system exacts far too much unnecessary suffering and indignity. Our members have good health insurance that they've worked incredibly hard to maintain, yet any time we've had discussions with them about healthcare we instantly hear horror stories of family members who've put off care, of soaring costs, of patients who come into the hospital too late and many more similar tales. If you pull together a room of working class people in Maine and bring up the topic of healthcare it is not long before you hear far too many stories of unnecessary suffering and a system that degrades people, robs them of basic dignity and fails to guarantee basic human rights. I'll let others deliver the mountain of statistic data that back that reality up. We firmly believe that we can and must do much better.

II. Our organizational mission is to improve the lives and working conditions of working men and women. Right now, workers in Maine and across the country are feeling an intense economic squeeze. The health care crisis is a central component of that squeeze. It is a core part of the deep economic anxiety that is the defining feature of this economy for hundreds of thousands of working people in Maine. And the healthcare crisis – particularly the way that healthcare costs have been shifted onto working people – underlies the staggering economic inequality we face. The attached Kaiser chart makes that very clear. We cannot solve the economic challenges that working people face without fundamentally fixing our healthcare system and ensuring that healthcare truly is a human right.

Our members, while still maintaining comparatively “good insurance” have seen that squeeze. They are paying more and more for less healthcare coverage. Healthcare dominates contract negotiations, it frequently erases wage increases and it harms our overall economy.

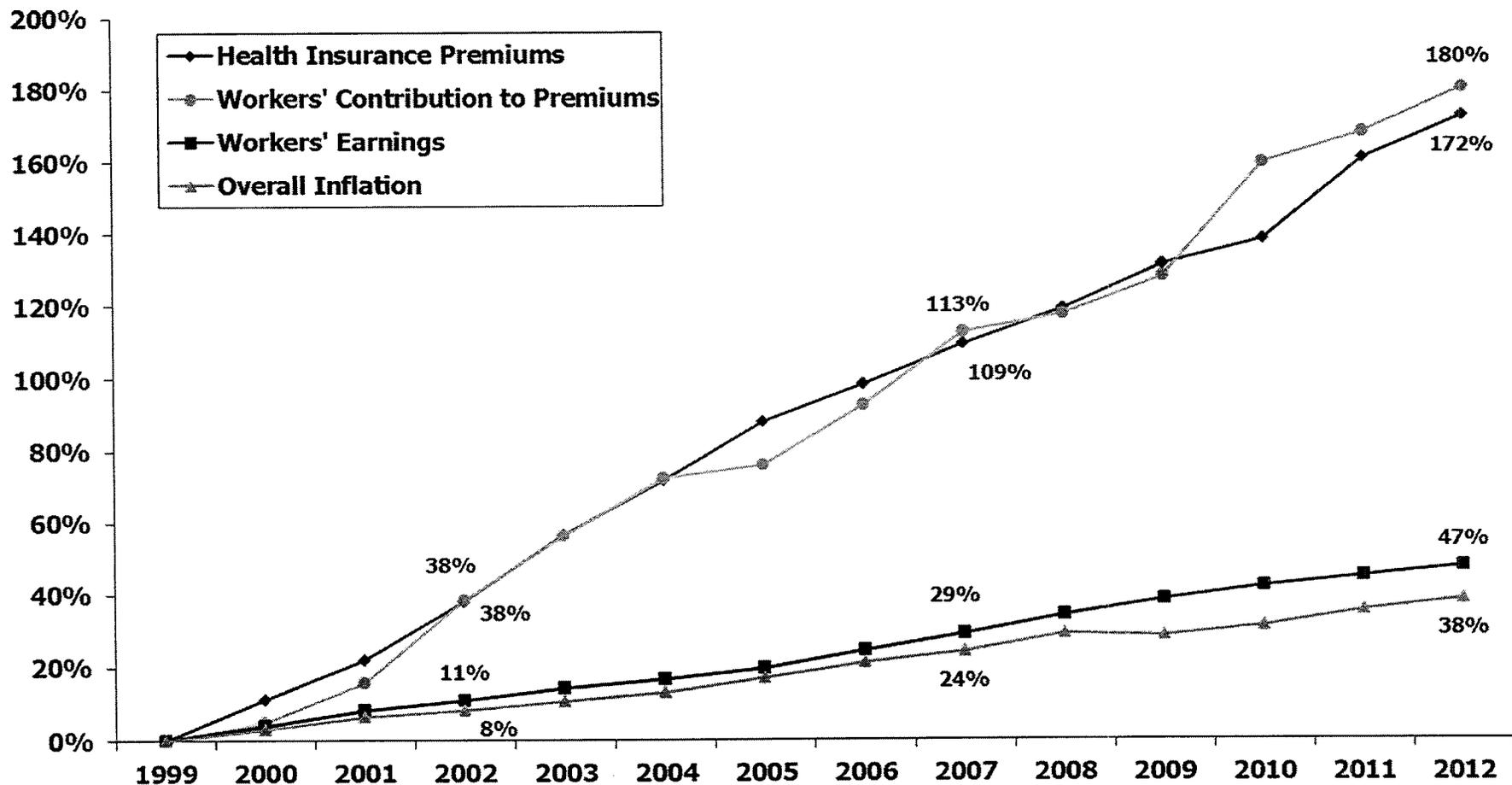
III. We represent members who do physically demanding work – construction workers, shipbuilders, papermakers, nurses and many more. That work takes a toll on people's bodies. What was easy to do at 25 or 30 becomes very hard, often painfully so, at 54 or 59 or 63. There are thousands of workers in this state who would retire in a second – in many cases they physically need to retire – but cannot do so because they desperately need health insurance. Workers are literally shaving years off their life because they don't dare retire before Medicare age. This also obviously limits opportunities and openings for younger workers.

IV. There are a slew of additional economic arguments for why we should move to a truly universal, public financed health system. We spend 17% of our GDP on healthcare and get very mixed results. Our current system is wretchedly inefficient and uncompetitive. Think about the number of workers who remain in jobs they don't like or enjoy simply to hold onto health insurance; think about the number of small businesses that are hamstrung by the cost of our current system; think about the entrepreneurs in our midst who refuse to leap because of the insurance related restrictions they face.

The foolishness of current patchwork healthcare system becomes more apparent if you think about what it would mean if we structured our public education system or police of fire protection in similar ways. Would it make any sense to stipulate access to education based on a parent's employment status, income level or age? Similarly, can we conceive of one's ability to call the fire department being contingent on whether one has fire insurance or is poor enough or old enough to access it. For certain public goods such a scenario is foolish and destructive, yet that's how our current healthcare system has evolved and is structured. We can do better and move towards a system where healthcare is guaranteed and people feel free, safe and secure knowing that it is a right.

For these reasons and more we support LD 384 and LD 815.

# Cumulative Increases in Health Insurance Premiums, Workers' Contributions to Premiums, Inflation, and Workers' Earnings, 1999-2012



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2012. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1999-2012; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2012 (April to April).

