



Testimony in Opposition to LD 1883: “An Act to Enact the All Maine Health Act”

Senator Bailey, Representative Mathieson, and the distinguished members of the Committee on Health Coverage, Insurance and Financial Services, my name is Harris Van Pate, and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free-market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to submit testimony in opposition to LD 1883, “An Act to Enact the All Maine Health Act.”

This bill proposes a sweeping government-run health care system that would upend Maine’s health care marketplace, put immense financial pressure on the state’s taxpayers, and reduce patient choice and quality of care. While well-intentioned, this proposal is modeled on ideas that have failed in other states and ignores practical, sustainable, and market-oriented reforms that would truly improve health care access and affordability in Maine.

Economic Reality: Unsustainable Costs

LD 1883 aims to provide comprehensive health care to all residents through a single, state-run system. Yet, similar efforts in Vermont and Colorado collapsed under the weight of their own financial impracticality. Vermont’s plan would have required an 11.5% payroll tax and income tax hikes of up to 9.5%, nearly doubling the state’s budget and still falling short of its goal to provide universal coverage.^{1 2} The system was set to run deficits within a few years, even with enormous tax increases.

Colorado voters, in a deep-blue state, rejected a similar proposal at the ballot box by a margin of 79% in 2016.³ Their plan proposed a 10% payroll tax hike and new taxes on non-wage income—measures that would be economically devastating in a rural, aging state like Maine.⁴

Maine’s own health care spending already consumes a substantial portion of the state budget. Creating an entirely new bureaucracy to administer the All Maine Health Plan—complete with a new agency, new board, expansive benefit mandates, and an enormous public fund—would place our economy and taxpayers under an unbearable burden.

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<https://www.forbes.com/sites/theapothecary/2014/12/21/6-reasons-why-vermonts-single-payer-health-plan-was-doomed-from-the-start/>

² <https://www.vox.com/2014/12/22/7427117/single-payer-vermont-shumlin>

³ <https://www.politico.com/2016-election/results/map/ballot-measures/colorado/>

⁴ [https://ballotpedia.org/Colorado_Creation_of_ColoradoCare_System,_Amendment_69_\(2016\)](https://ballotpedia.org/Colorado_Creation_of_ColoradoCare_System,_Amendment_69_(2016))



Loss of Choice and Innovation

This bill would outlaw meaningful private competition by making the All Maine Health Plan the dominant provider. Even if some supplementary private insurance is technically allowed, it would be relegated to fringe coverage for non-essential services. This model has historically reduced innovation and responsiveness in health care delivery. Patients would have fewer choices in providers and treatments, and providers would face new bureaucratic barriers.

Disruption to the Workforce

The bill openly anticipates the displacement of workers in private insurance and health care administration. Rather than expanding opportunity, it calls for a taxpayer-funded support program for those who lose jobs due to the state takeover. This is a stunning admission of the economic harm inherent in this proposal.

Better Alternatives Exist

Rather than adopting a deeply flawed single-payer model, Maine should pursue reforms that empower patients and encourage competition:

- Expand Direct Primary Care (DPC) models that offer affordable, transparent pricing for routine care.
- Implement a robust "Right to Shop" law to give patients access to price comparisons and financial incentives for selecting lower-cost providers.
- Eliminate Certificate of Need (CON) laws that stifle provider competition and innovation.
- Incentivize interstate insurance competition to lower premiums and increase options.

These reforms reduce costs without upending the current system or subjecting Maine families to massive new taxes and government mandates.

Conclusion

LD 1883 is not merely a health care proposal—it is a government takeover of one of our state's most critical and personal economic sectors. It would cripple Maine's economy, threaten quality of care, and offer no guarantee of long-term sustainability. For these reasons, we respectfully urge the committee to reject LD 1883. Thank you for your time and consideration.