

Testimony in support of LD 1269, “Resolve, to Study the Costs and Funding of a Universal Health Care Plan for Maine” and LD 1883, “An Act to Enact the All Maine Health Act”

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Good Afternoon Senator Bailey, Representative Mathieson and members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services. My name is James Myall and I am a Senior Policy Analyst at the Maine Center for Economic Policy. I’m here to testify in support of LD 1269, “Resolve, to Study the Costs and Funding of a Universal Health Care Plan for Maine” and LD 1883, “An Act to Enact the All Maine Health Act.” MECEP believes that all Mainers deserve access to quality affordable coverage that allows them to thrive, and we support LDs 1269 and 1883 as one route towards that goal.

Over the past several years, I have worked with members of Maine AllCare to analyze the proposals for an “All Maine Health Plan” and to help them understand the costs and administrative implications. The latest report I completed in 2024 lays out key considerations for a universal, publicly-financed and privately-delivered health care plan and quantifies the cost of implementing such a plan in Maine.¹

The case for comprehensive health care reform is strong. Americans spend more on health care than their peers in other countries, for worse results. Despite the advances made by reforms like the Affordable Care Act, there are still 81,000 Mainers without health insurance² and tens of thousands more with insurance coverage that doesn’t fully meet their needs. Every year, 68,000 Mainers skip medical care because they can’t afford it,³ and half of all Maine adults carry medical debt from procedures they couldn’t pay for.⁴

A publicly-financed health care system offers a number of advantages over the current system. It can provide care at predictably low costs to patients, relieving them of the burden of unexpected bills and crippling debt. The purchasing power of the state as a single entity allows for stronger negotiation of the prices of drugs and procedures, which helps to keep overall costs down. And the streamlining of the system with fewer payers can produce administrative savings for taxpayers and providers alike.

In the bigger economic picture, reducing overall spending on health care services will free up resources to be spent elsewhere. When patients aren’t burdened by debt or afraid of unexpected bills, they will take more risks like starting a new business or going to college, thereby making the economy more dynamic. And decoupling health insurance from employment will allow Mainers to engage in the work that fits their skills best, rather than

whatever provides them some peace of mind through employer-provided health insurance.

I'm happy to go into greater detail about the findings in the 2024 report, but at a high level, I found that total health care spending in 2023 was \$18.5 billion and that under the universal plan examined in the report, that number would remain similar – between \$17.8 billion and \$19.3 billion – while providing more comprehensive care to more Mainers. Importantly, this would not be the cost to Maine taxpayers. Accounting for existing spending and offsetting some new costs with federal matching funds and various savings would leave between \$8 and \$9 billion to be raised in new revenues.

I know that much larger than the numbers you're used to hearing as fiscal notes for bills. But the study does demonstrate how it is possible to raise that much revenue in a way that has everyone contribute while asking the most of the Mainers with the deepest pockets. After balancing out the increased taxes with the savings from not paying private insurance premiums, deductibles, and copays, most Mainers would be better off under the model I examined in the report. Examples included in the report show many lower income Mainers could save thousands of dollars in addition to the peace of mind afforded by access to reliably affordable health care.

Thank you for your consideration of LD 1269 and 1883. Both bills would move Maine forward on the path to truly universal health care, and I urge you to vote "ought to pass."

Notes

¹ James Myall, "Re-Assessing The Costs and Impacts of a Universal Health Care System in Maine," *Maine Center for Economic Policy for Maine AllCare*, Nov 2024. <https://maineallcare.org/wp-content/uploads/2024/12/Re-Assessing-the-Costs-and-Impacts-of-a-Universal-Health-Care-System-in-Maine-FINAL-Nov-24.pdf>

² US Census Bureau, American Community Survey data, 2023

³ US Centers for Disease Control, Behavioral Risk Factor Surveillance Survey data for 2022.

⁴ Digital Research Inc, "Examining Voters' Views Towards Health Care in Maine" *Consumers for Affordable Health Care*, March 2025. Survey of 500 registered Maine voters conducted December 2024-January 2025. <https://drive.google.com/file/d/1of-aZWztHbCJDGZODeqoWEVvYcokHw41/view>