Testimony LD 1269

Senator Bailey, Representative Mathieson and members of the committee. My name is Michael Bacon, and I live in Westbrook. I am a retired scientist and longtime advocate for universal healthcare, and I currently serve on the board of Maine AllCare. I am testifying in support of LD 1269.

I would like to use my time to make a few observations about fiscal studies of single payer plans and then offer some reminders of additional cost savings and benefits from such plans, both to society and to the individual, that must be significant but would be hard to quantify in dollar terms.

All of the fiscal studies of single payer plans, both national and state-based—and there have been dozens—have come to about the same conclusion: total healthcare expenditure would, within a few percent, be about the same as it would be under the status quo. A review[1] of 22 single payer plans showed that 19 of the plans resulted in net savings, with a median net savings of 3.5% of the total healthcare expenditure. We can conclude that, for about the same total cost, perhaps less, we could cover the entire population and provide comprehensive benefits to all. The latest fiscal study of a single payer plan for Maine[2], commissioned by Maine AllCare and conducted by the Maine Center for Economic Policy, reached the same conclusion.

Thus, we can say with great confidence that single payer, universal healthcare is economically feasible. We have known this for decades but have failed to act. For this reason, I would suggest that the legislature need not delay in passing LD 1883, the All Maine Health Act. That bill contains a provision that implementation is contingent upon the completion and approval of a fiscal study like the one described in LD 1269.

One might reasonably ask why yet another fiscal study of a single payer plan is necessary, but the legislature and the public will undoubtedly want full assurance that the particular plan described in LD 1883 is feasible. And it is always possible that further scrutiny of the plan may reveal improvements that could be made.

We all know that early detection and treatment of disease often means more favorable prognoses and less expenditure later on more costly treatments. For example, according to CDC statistics[3], nearly 50 percent of adult Americans have hypertension, but of those, an astonishing 40 percent are unaware of it. It follows that at least 20 percent of the population must not receive adequate primary and preventive care. A whole host of complications, such as heart attack or stroke, can result from untreated hypertension, often necessitating care in hospital emergency rooms and often at considerable public expense. Universal access to preventive care would eliminate some

of these cases and would clearly save money, but it would be difficult to place a dollar figure on it.

We should also not neglect the economic benefits that would come from having a healthier workforce. There would be fewer sick days taken and higher performance and productivity on the job, and this would boost GDP. It would be very hard to quantify this, though some work[4] has been done along these lines. But even a 1% increase in GDP would add about $1 billion to the state's economy, or $700 per capita.

And let us not forget that universal healthcare would save lives. One study[5] estimated that Medicare for All would save 68,000 lives annually, which would be almost 300 Maine lives if Maine is representative of the U.S. population. This is another measure of the cost of not having universal coverage—and the most important one. It is more than the number of lives lost to gun violence or the number of traffic fatalities. Many would consider it unseemly to place a dollar value on a life, but the EPA, in its cost/benefit analyses of proposed regulatory actions, actually does this and assigns a $10 million value to what it calls a "statistical life."

Finally, under a single payer plan, the government, as the sole buyer in the market, would be in a strong position to negotiate prices, which would counter the monopoly power that often exists on the supply side. Over the long term, this would help control spending.

The case for universal healthcare is overwhelming, and I urge you to vote "Ought to Pass" on LD 1269.

Thank you.

[1] https://journals.plos.org/plosmedicine/article?id=10.1371/journal.pmed.1003013

[2] 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

[3] https://www.cdc.gov/nchs/products/databriefs/db511.htm

[4] https://www.cbo.gov/publication/57637

[5] https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(19)33019-3/abstract