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Testimony Neither for Nor Against LD 258, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024, and June 30, 2025.

## February 22, 2023

Good afternoon Senator Rotundo, Senator Baldacci, Representative Sachs, Representative Meyer and members of the Committees on Appropriations and Financial Affairs and Health and Human Services. My name is Alex Carter, I use she/her pronouns, and I'm a Policy Advocate at Maine Equal Justice; a nonprofit civil legal aid provider working to increase economic security, opportunity, and equity for people in Maine. You heard testimony from my colleague earlier and I'm here to testify neither for nor against LD 258 to provide some additional information for your consideration.

The Governor's continued commitment to expand access to affordable healthcare is reflected in her proposed budget and the many initiatives to improve our health systems. Maine Equal Justice applauds the Mills administration for the investments to strengthen our behavioral health system, support people with disabilities, and expand our much-needed healthcare workforce as well as funding for more affordable housing—one of the most critical social determinants of health.<sup>1</sup>

While the proposed budget reflects many of our shared values, some of our most vulnerable, low-income residents are still excluded from these benefits based solely on their immigration status. We have an opportunity to right this wrong in the current biennium and finish the work of Medicaid expansion by closing the coverage gap for immigrants in our MaineCare program as proposed by LD 199.

## The Gap

A bipartisan supplemental budget in 2021 removed exclusions for low-income pregnant people and children under 21 so they can now access MaineCare regardless of their immigration status, which has had profound impacts on many young families. However, there are still adults—parents,

<sup>&</sup>lt;sup>1</sup> https://www.healthaffairs.org/do/10.1377/hpb20180313.396577/

caregivers, workers, and elders—who cannot access vital preventive care, manage their chronic conditions, receive mental and behavioral health care, or fill a prescription. We also know that when parents gain healthcare coverage, their children are more likely to have coverage<sup>2</sup> and to attend their wellness visits.<sup>3</sup> Whole families need care for our communities to thrive.

This gap disproportionately impacts people of color who experienced some of the greatest burdens of the COVID-19 pandemic in our state while at the same time filling essential jobs – jobs they continue to fill across key sectors of our economy. Without prevention to identify underlying health issues, people can suffer with conditions that make them more vulnerable and more likely to suffer worse effects if they get sick. Furthermore, those who are only eligible for emergency Medicaid often delay their care until they need to seek emergency treatment. This not only leads to worse health outcomes, but it also means more costly care and a greater burden on our hospitals.

## The Cost

It's impossible to put a cost on someone's morbidity or mortality, but removing unjust exclusions to MaineCare is both the right thing to do and the smart financial choice. A 2019 analysis from UnitedHealthcare found that going to the ER for medical care that could be handled elsewhere is costing the U.S. healthcare system an excess of \$32 billion dollars a year. A trip to the ER is on average 12 times more expensive than being treated in a doctor's office for those same ailments.<sup>4</sup>

Because immigration status is fluid and changes as people move through the immigration system, many people who are ineligible for coverage today based on their current status will be eligible for MaineCare at some point in the future. If we ignore their health care needs today, we will still be paying for their higher health care costs down the road.

The fiscal note for last year's bill, LD 718<sup>5</sup>, estimated the upfront cost to the state to be \$4.3 million in the first year and \$7.7 million in the following years to expand MaineCare. That estimate included coverage for pregnant people and people under 21, for whom you already made

<sup>&</sup>lt;sup>2</sup> <u>https://www.cbpp.org/research/health/expanding-medicaid-for-parents-improves-coverage-and-health-for-both-parents-</u>

and#:~:text=Children%20also%20benefit%20directly%20when.highly%20credible%20recent%20study%2 0confirms.

<sup>&</sup>lt;sup>3</sup> <u>https://www.cbpp.org/research/health/expanding-medicaid-for-parents-improves-coverage-and-health-for-both-parents-</u>

and#:~:text=When%20parents%20have%20health%20insurance,highly%20credible%20recent%20study% 20confirms.&text=other%20research%20shows.-

<sup>&</sup>lt;u>.Children%20also%20benefit%20directly%20when%20their%20parents%20gain%20coverage%20because</u> <u>.family%20has%20more%20financial%20security</u>

<sup>&</sup>lt;sup>4</sup> https://khn.org/morning-breakout/the-cost-of-unwarranted-er-visits-32-billion-a-year/

<sup>&</sup>lt;sup>5</sup> http://www.mainelegislature.org/legis/bills/bills 130th/fiscalpdfs/FN071802.pdf

appropriations last year and the per member per month costs vary based on the category of coverage. This is a relatively small price to pay to ensure that all low-income Mainers have access to critical health care coverage and will result in savings for many health systems that provide a large amount of uncompensated and charity care for the uninsured.

## Workforce

Lack of access to medical care also costs our economy in terms of missed work, lower productivity, and higher costs to replace workers who become too ill to do their jobs.<sup>6</sup> It comes as no surprise to you that Maine is experiencing a workforce shortage, one that is only projected to worsen as more older adults leave the labor force. Immigrants are the backbone of many of our essential industries in Maine including health care, direct care, agriculture, food production, and hospitality.<sup>7</sup> The fact is we need immigrants to keep our economy afloat and to help care for our aging population. While many immigration reforms must happen at the federal level, providing access to healthcare for those who can't afford it is one tangible step the state can take now to support those who have chosen Maine as the place to work and raise their families.

While this proposed budget is a strong start, we must do more to support those who care for us. If we truly believe that all Mainer's deserve better and more affordable healthcare, then everyone must be able to access those benefits—no exceptions and no exclusions.

Thank you for your time and attention.

<sup>&</sup>lt;sup>6</sup> https://www.cdc.gov/workplacehealthpromotion/model/evaluation/productivity.html

<sup>&</sup>lt;sup>7</sup> https://www.pressherald.com/2022/09/18/immigrants-may-hold-a-key-to-solving-maines-labor-shortage/