Testimony on LD 1883
An Act to Enact the All Maine Health Act
Daniel C. Bryant, M.D.

Senator Bailey, Representative Mathieson, members of the HCIFS Committee, my name is Daniel Bryant, M.D., of Cape Elizabeth. I am testifying in support of LD 1883 and was involved in drafting Maine AllCare's original version of it.

Many arguments can be made in support of this bill, but as health care costs have reached crisis level, reflected in hospital closings, personal medical debt, foregone care, MaineCare funding battles and the like, I will focus on that issue.

Those costs consist of hospital, professional, and drug and device charges; plus middleman cuts[1]. Mainers pay them through insurance premiums, cost sharing, out-of-pocket payments, facility fees, income taxes, withholdings, crowd sourcing, and medical debt financing; plus (as I described recently in the *Maine Policy Review*[2]) hidden mechanisms including sales and property taxes, car and home insurance premiums, workers' comp, health benefit-related wage restriction, and health benefit-related goods and services price inflation.

LD 1883 would address the cost crisis by:
1) Reducing providers' Billing and Insurance Related costs, accounting for some 82% of administrative costs[3]. Public funding could reduce those costs 33% to 53%[4].
2) Reducing payor administrative costs, higher for commercial coverage (~15%) than public (Medicare, MaineCare) coverage (~5%)
3) Negotiating professional reimbursements, hospital global budgets, and drug and device prices.
4) Promoting primary and preventive care, thus reducing the cost of advanced disease.
5) Coordinating health care services, thus reducing duplication and maldistribution of services as well as facilitating responses to crises like pandemics.
6) Working to increase the health care workforce, reducing reliance on expensive imported workers.
7) Reducing the appeal of Maine's health care system to private equity, whose involvement often increases costs[5].
8) Reducing the costly role of some middlemen (management service organizations, third party administrators, pharmacy benefit managers).

Studies have shown that publicly funded plans would save money[6], but expanded coverage and benefits and new administrative costs could keep health care funding needs about the same. That funding, though, would be simpler and fairer through a combination of an income-based health tax replacing most current costs; waiver-accessed government funds; and payroll taxes: no longer would the powerful decide what health care the less powerful deserve, but what health care everyone, themselves included, deserves.

Broad ("bold"[7]) as opposed to incremental reform is needed to address this crisis and, though implementation of LD 1883 would be challenging, passage itself would be safe: it would not be implemented "until a fiscal analysis of the costs of the plan is approved by the Legislature."

Maine AllCare studied twenty other state plans preparing the plan that became LD 1883, learning in the process what new provisions might make it more likely to pass and succeed. Some of those provisions didn't make it into LD 1883; I've listed them in the addendum to my written testimony for the work session's consideration. Thank you.

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[1] Bricker, Eric. A to Z Healthcare. Financial Performance of the US Health Care Industry. Available at: https://www.youtube.com/watch?v=ce7OmhIonpE&authuser=0

[2] Bryant, D. "Single-Payer Health Care Reform: Cost Considerations in Maine." *Maine Policy Review.* 2024;33(1): 38-43. Available at https://digitalcommons.library.umaine.edu/mpr/vol33/iss1/9.

[3] Richman, B, et. al., Billing and Insurance–Related Administrative Costs: A Cross-National Analysis. Health Affairs. 2022; 41(8). Available at https://www.healthaffairs.org/doi/10.1377/hlthaff.2022.00241

[4] Scheinker D, et al. Reducing administrative costs in US health care: Assessing single payer and its alternatives. Health Serv Res. 2021;56(4):615-625. Available at https://pubmed.ncbi.nlm.nih.gov/33788283/.

[5] Private Equity In Health Care: A State-Based Policy Perspective, Health Affairs Forefront, November 8, 2024 . DOI: 10.1377/forefront.20241106.200283

[6] Listing of single-payer cost studies: Healthcare-Now, available at https://www.healthcare-now.org/single-payer-studies/listing-of-single-payer-studies/

[7] Maine's health care crisis requires bold action. Lead editorial Maine Sunday Telegram, May 11, 2025

Testimony Addendum Suggested Revisions to LD 1883, 132nd Maine Legislature				
Topic	LD 1883 §	LD 1883 language	Comments and suggested changes	Original AMHP §
Implementation	7802.2.A	… The fiscal analysis required under section 7810, subsection 5 has been completed and approved by the All Maine Health Board and the Legislature;	… A final fiscal analysis, following waiver determinations, has been completed and approved by the All Maine Health Board and the Legislature (Final analysis *after* waiver decisions made)	Appendix B.8
Definitions	7802.3	Word "plan" used in different ways in LD 1883: agency, functions of the agency, policy offered by the agency.	"All Maine Health" means the All Maine Health Agency "All Maine Health Plan" or "plan" means the functions of the Agency. "All Maine Health Policy" means coverage policy offered by the Agency.	102.
Eligibility	7803.1	All residents of this State are eligible for the All Maine Health Plan.	All residents of this State are eligible for coverage provided through the All Maine Health Plan. (Enrollment automatic, disenrollment optional)	301
Commercial insurance	7804.5	An eligible individual may purchase an insurance policy to provide coverage for services not covered under this ….	If this means "non-duplication" (commercial insurance can't cover what the AMHP covers) it may invite legal challenge.	
Prior authorization	7805.2	Prior authorization may not be required for any covered service under the plan….	Prior authorization shall not be more restrictive than would be required under Medicare Part A or Part B.	206.3.A
Medicare	7807.5	… All Maine Health Plan to operate as a Medicare Advantage plan….	The submitted All Maine Health Program was more detailed about the Medicare population.	301.2
Deductible	7807.7	… impose a minimal deductible….	No deductibles in submitted version	204.7
Global budgets	7809.3	The board shall set annual budgets for institutional providers.	The board shall negotiate annual budgets with institutional providers.	207.3.A
Structure		Little description of the agency structure	The All Maine Health Program explained how the agency and its offices, fund would work.	202.3.Q and others
Benefits	7804.2	No reproductive, maternity care specified.	"Pregnancy, maternity…."	401.2.D
Board duties	7810.4	Some All Maine Health Program board duties, which could be important to supporters of LD 1883, omitted from the All Maine Health Plan.	Monitor developments in Integrated Delivery Systems, consolidations, mergers, and private-equity activity	202.3.N
Board duties	7810.4		Evaluate the effect of social determinants of health (SDOH)	202.3.O
Professional reimbursemenr	7809.2.A	Single sentence about "noninstitutional providers," which would not satisfy those considering the bill.	Distinctions between independent and employed noninstitutional providers, etc.	207.2.C. (1) and (2)
Primary care	7805.1	Patients entitled to primary care, but no emphasis on it.	Work to increase the ratio of primary care providers to specialists	202.3.H