

Senator Bailey, Representative Mathieson, and members of the Health Coverage, Insurance, and Financial Services Committee, my name is David Jolly. I live in Penobscot, and I worked for 35 years in public health. I am board member of Maine AllCare, and I am here to testify in support of LD 1883.

As health care costs continue to soar and health care quality and accessibility continue to deteriorate, it is past time to transform our health care system. LD 1883 presents a plan for a state-based universal health care system that would ensure all Maine residents have affordable, comprehensive, and equitable health care, publicly funded and largely privately provided.

Revenue sources would include a health tax. For individuals, the tax would be based on income and for businesses on payroll or number of employees. This plan would decouple health insurance and employment, and I would like to spend the remainder of my time discussing the benefits of doing so for both employees and employers.

For employees benefits would include:

- Not having to pay high premiums and exorbitant deductibles associated with many employer-based insurance plans
- Saving many employees the time and hassle of figuring out which plan to sign up for during the annual open enrollment period
- Simpler labor negotiations for union employees
- Greater workplace privacy around personal medical issues
- More choice of providers for those whose current insurance restricts them to narrow provider networks
- Avoiding loss of insurance when laid off or terminated from a job
- Greater job mobility. It would eliminate job lock, that is, workers staying in jobs they want to leave but can't because they need to maintain their insurance. It would also allow workers to take entrepreneurial risks, establishing new businesses that usually can't afford insurance in the early stages.

For employers benefits would include:

- Simplifying the administration of employee benefits, eliminating time and energy expended each year reviewing and negotiating plans with insurance companies, employees, and unions
- Reduced chances of strikes since health insurance would no longer be an issue at the bargaining table
- Removing the moral injury small business owners experience when they can't afford to provide their employees a health benefit

- Leveling the playing field for these small businesses so they wouldn't be at a disadvantage when competing for workers with larger businesses that can provide a health benefit
- Creating a fairer system than what we've got now, where, because of their smaller risk pools, small companies that offer insurance as well as self-insured companies often end up paying much more if they have even a few workers with serious illness.

Although this plan is ambitious and comes with significant challenges, the bill itself includes important guardrails. The program would not be implemented until critical federal waivers were acquired, a final fiscal analysis of its costs was completed, and funding was approved by the Legislature.

I ask you to vote "Ought to pass" on LD 1883. Thank you.