

Testimony in Support of LD 1390, “An Act To Maximize Health Care Coverage for the Uninsured through Easy Enrollment in the MaineCare Program or in a Qualified Health Plan in the Marketplace”

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Good afternoon Senator Sanborn, Representative Tepler, and members of the Joint Standing Committee on Health Care, Insurance, and Financial Services. My name is James Myall. I’m a policy analyst at the Maine Center for Economic Policy. I’m here before you to testify in support of LD 1390, “An Act To Maximize Health Care Coverage for the Uninsured through Easy Enrollment in the MaineCare Program or in a Qualified Health Plan in the Marketplace”

Access to affordable health care is critically important not only for Mainers’ physical and mental wellbeing, but also for their economic stability and ability to thrive. The Affordable Care Act, including the expansion of MaineCare, have opened up very affordable options to health care for low and middle-income Mainers, yet many of these individuals have not enrolled because they are unaware of their options.

LD 1390 would increase access to MaineCare and subsidized ACA plans for Mainers who may be unaware that they are already eligible for the programs. The bill would allow uninsured Mainers to check off a box on their income tax returns, stating that they are uninsured and would like to be screened for eligibility for MaineCare or for ACA-subsidized coverage.

As of 2019, almost 90,000 Mainers with incomes below 400 percent of the federal poverty level were uninsured. Many of these individuals would be eligible either for no-cost MaineCare coverage, or low-cost subsidized plans through the ACA marketplace.¹ While the rollout of MaineCare expansion in 2019 and 2020 likely reduced this number, there are still likely tens of thousands who would benefit from this bill. Additionally, the recently-passed American Rescue Plan Act expanded subsidies on the marketplace to cover Mainers with incomes above 400 percent of the poverty level, which would have made another 15,000 uninsured Mainers eligible for help to purchase insurance based on 2019 levels.²

Over the past several years, we’ve seen just how valuable access to affordable care, particularly through the expansion of Medicaid, is for individuals.³ When previously-uninsured Americans enroll in Medicaid, they not only are able to get health care more easily when they need it most – rather than delaying or skipping care entirely – but they have more financial stability, are more able to work, and suffer less from conditions such as hunger and poverty.

What’s more, increased enrolment in Medicaid benefits health care providers and the state’s economy more widely. Because hospitals and other providers have an obligation to treat low-income Mainers even when they can’t afford to pay, uninsured Mainers cost hospitals money. Connecting these Mainers to MaineCare or subsidized private insurance will reduce the amount of uncollectable debt and charitable care incurred at Maine’s hospitals. This translates to healthier bottom lines for the hospitals and more jobs in Maine’s growing health care sector. MECEP’s analysis of the state’s recent MaineCare

expansion found that it created hundreds of millions of dollars in economic activity, and supported thousands of jobs in health care.⁴

The impact of LD 1390 will obviously be much smaller, but the principles are the same – fewer uninsured Mainers mean more federal dollars to Maine, reduced costs for health care providers, and a stronger state economy.

For the sake of tens of thousands of Mainers, for their health and financial wellbeing, as well as for our health care providers and our state economy, we urge you to vote ought to pass on LD 1390.

Thank you. I'll be happy to take any questions.

Notes

¹ MECEP analysis of SHADAC data <http://statehealthcompare.shadac.org>

² Ibid.

³ Guth, Madeleine, Rachel Garfield and Robin Rudowitz, "The Effects of Medicaid Expansion under the ACA: Studies from January 2014 to January 2020," *Kaiser Family Foundation*. Mar 17, 2020. <https://www.kff.org/medicaid/report/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review/>

⁴ Maine Center for Economic Policy, *Accepting Federal Funds for Affordable Care: Still a Great Deal for Maine*. March 2016. https://www.mecep.org/wp-content/uploads/2016/03/MaineCare-Expansion_Final.pdf