

LD 1045 An Act To Support Universal Healthcare
Public Hearing May 12, 2021
Testimony In Opposition

Members of the Health Coverage, Insurance and Financial Services Committee:

My name is Jessica Sullivan, I am a health care professional writing in opposition to LD 1045 which would implement universal health care/single payer plan, called the Maine Health Care Plan, by January 1, 2024. In its fourteen pages, LD 1045 makes sweeping statements and promises coverage of virtually every medical, dental, rehabilitation, long term care and home care situation to anyone who applies. This would be a complete state government takeover of every aspect of healthcare in Maine without any feasibility studies or cost projections whatsoever. My concerns include the following:

1. Only one state has ever enacted a universal healthcare system. Vermont, with a small population of 626,000 enacted "Green Mountain Care" in 2011. "In its first year, Green Mountain Care cost \$4.3 billion, and financed in part by \$2.8 billion in new state taxes, a 151% increase in state taxes." Green Mountain Care was abandoned in 2014 due to escalating costs.*
2. As mentioned above, only one state has ever enacted universal health care which was abandoned in three years due to cost. No state-run universal healthcare/single payer plan exists.
3. Dirigo Healthcare became obsolete under the Affordable Care Act but was already a failing initiative due to program costs and administrative issues.
4. LD 1045 proposes to establish universal care/single payer plan in 3 years without any research or any successful functioning example. No other health care plans will be able to be sold in Maine after January 1, 2024 and presumably all other existing health care plans will be invalidated on that date.
5. There are significant federal hurdles with the Employee Retirement Income Security Act of 1974 (ERISA). Single payer plans may be in violation of ERISA; this is not addressed and may invalidate eligibility for those with retiree benefits under employer-employee contracts, and others.
6. SS7507.1.B. Revenue sources "Develop an equitable and affordable premium structure based on *income, including unearned income, and a business health tax* based on payroll". Apparently, individuals will be forced to provide extensive income tax information to the Maine Health Care Plan after which Maine Health Care will decide premium costs per person.
7. Unearned income includes the following: taxable interest, ordinary dividends, unemployment compensation, pensions, annuities, taxable social security benefits and more. Would LD 1045 tax the savings (pensions, annuities, 401Ks, savings accounts etc.) of Maine citizens who have spent years working and use those taxes as premiums to pay for universal care?
8. Because there are no cost projections or feasibility studies it is unclear how business "health tax payroll tax" would effect businesses in Maine. Maine is already known as un-friendly to businesses in a national level due to our extremely high taxes. The intent may be to substitute employer health care plans for universal care. Perhaps the concept is that business health tax payroll tax would be cheaper than the costs

9. of employee health insurance. That is an unknown and again there are no cost projections or feasibility studies provided to support that theory.
10. Multiple waivers for federal preemption are needed to fund LD1045. See #4, 5 and 6 under SS 7507 Revenue Sources. It seems highly improbable that multiple federal waivers will be adequately requested and granted before January 1, 2024.
11. Under SS7507.5. Federal preemption: “....The request for waiver of the federal Social Security Act must seek authorization for the Maine Health Care Plan to operate as a Medicare Advantage Plan for eligible individuals.” Is the intention of LD 1045 to capture all Medicare funds from Maine recipients and then place all Maine Medicare recipients on a Medicare Advantage Plan ?

LD 1045 promises an “everybody gets everything they want” healthcare utopia and people will only have to pay “ what we think they should pay”. Critical definitions for terms such as efficiency and care quality, are missing. LD 1045 promises that there will be “enough health care providers to guarantee timely access to care”, yet there are no studies on the effects to providers of the very likely specter of decreasing reimbursement. Decreasing reimbursement can lead to fewer providers which adversely affects both access to care and the quality of care. LD 1045 also seems to stepping in to “Certificate of Need “ realm by limiting provider expenditures. Many universal health care/single payer plans have budget caps. In Canada, for example, patients wait for the next fiscal year to have a needed medical service when money for that service has run out in the current year.

This bill is a dangerous rush to universal health care without any research, cost and feasibility studies, and stakeholder inputs. LD 1045 is on an astoundingly irresponsible fast track.

I urge you to vote “no” on LD 1045.

Thank you,

Jessica Sullivan, MPH
Cape Elizabeth

*Kaitlin Hunter and David Kendall, “Single Payer Health Care: A Tale of 3 States”, *Third Way*, July 17, 2019.