

Testimony in support of LD 718, “An Act to Improve the Health of Maine Residents by Closing Coverage Gaps in the MaineCare Program and the Children's Health Insurance Program”
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James Myall

Good morning Senator Claxton, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services. My name is James Myall and I am a policy analyst at the Maine Center for Economic Policy.

MECEP supports LD 718 because all Mainers — including New Mainers — deserve access to affordable health care. What’s more, we all benefit when more of our friends and neighbors have the health care they need.

MaineCare offers affordable health care coverage to those who would otherwise struggle to afford it. LD 718 would restore MaineCare eligibility for hundreds of New Mainers with low incomes, including people waiting for decisions on asylum cases and new green card holders.¹ Mainers in those situations were eligible for MaineCare until 2011, when the LePage administration reversed a decades-old policy and denied health care to this group.

Before these New Mainers’ eligibility was unnecessarily restricted, some 500 Mainers received health care coverage under this policy. This bill is expected to restore coverage to a similar number of individuals, though the final number may be slightly higher because Medicaid expansion has increased eligibility in the MaineCare program and because Maine’s immigrant population has increased since 2011.

We’ve all spent the past year living through a public health crisis, a global pandemic that has starkly illustrated how closely our own health is dependent on the health of others. The COVID-19 pandemic has shown clearly that public health relies on the ability of all Mainers to access affordable care in a timely manner. Thankfully, the Legislature took steps to ensure that all Mainers could access COVID-19 testing and vaccinations at no out-of-pocket cost.

But the same logic that applied to COVID-19 applies to other infectious diseases, whether seasonal flu or something worse. Ensuring that vulnerable New Mainers can afford to see their doctor, buy prescription medicines, and get vaccinated is something that benefits all of us.

Research shows that Medicaid coverage comes with a huge number of benefits. These include greater access to health care, from preventative medicine to treatment for chronic diseases. Newly covered individuals also report themselves to be in better overall health.

Effects go beyond health outcomes, however. Medicaid access has also been shown to reduce poverty and provide more economic stability. Access to health care means less hunger, fewer evictions, and better credit scores as individuals’ pocketbooks are no longer squeezed by medical costs.² LD 718 would have similarly positive impacts on New Mainers’ health and economic wellbeing. When all Mainers have

the ability to thrive, our overall economy is stronger. Mainers have more money to spend at local businesses, and their improved health allows them to be more productive.

The current policy of excluding some categories of immigrants from MaineCare coverage leaves these individuals with few options. Due to their low levels of income — with most are living below 138 percent of the federal poverty level, or \$30,300 for a family of three — these New Mainers and their families almost certainly cannot afford to purchase commercial insurance. This leaves them with only the ability to receive charitable emergency care at a hospital. This safety net of last resort helps Mainers avoid serious consequences in the most dire situations, but it does not allow them to afford preventative care, medical devices, or prescription medications. LD 718 would offer comprehensive health care options to these Mainers.

Beyond the several hundred or so newly covered individuals, LD 718 would benefit members of their extended families. Research shows that even when children are eligible for Medicaid coverage (as natural-born citizen children born to ineligible immigrant parents, for example), they are much less likely to be enrolled for coverage if their parents are ineligible. Making sure that every member of a family can receive affordable care is the best way to ensure that everyone who needs care has access.³

Finally, LD 718 will also benefit Maine's health care providers. Because many of those covered by LD 718 have no option except emergency charitable care, hospitals end up providing that care at their own expense. Coverage under the MaineCare program will reduce costs for hospitals, just as Medicaid expansion has improved hospital balance sheets.

LD 718 will not only address a moral failing in Maine's current law. It will provide tangible benefits to our economy and society. In addition to improving the health of our friends and neighbors, it will improve public health, bolster hospitals' financials, and strengthen our economy with a more productive workforce.

MECEP urges you to vote "ought to pass" on LD 718. I'll be happy to answer any questions. Thank you.

¹ Refugees and asylees can enroll in Medicaid once their status has been confirmed. Other immigrants become eligible five years after receiving permanent resident status.

² Madeline Guth, Rachel Garfield, and Robin Rudowitz, "The Effects Medicaid Expansion under the ACA: Updated Findings from a Literature Review," *Kaiser Family Foundation*, Mar 27, 2020. <https://www.kff.org/medicaid/report/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review/>

³ Jessica Schubel, "Expanding Medicaid for Parents Improves Coverage and Health for Both Parents and Children," *Center on Budget and Policy Priorities*, Oct 21, 2020. <https://www.cbpp.org/research/health/expanding-medicaid-for-parents-improves-coverage-and-health-for-both-parents-and>

James Myall
Maine Center for Economic Policy

Please find attached testimony in support of LD 718 on behalf of the Maine Center for Economic Policy