

## SPC-Oral Testimony - LD 1608

Committee on Health and Human Services - May 10, 2021  
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Senator Claxton and Representative Meyer and members of the Committee.

I am Dr. Philip Caper. I'm an internist, a nationally and internationally recognized health policy expert, and one of the founders of Maine AllCare. Today I am speaking as an individual.

I'm also a long time critic of our current healthcare system and advocate for replacing it with a system that is truly affordable, high quality, accessible to everybody, is secure, and is truly designed to serve patients and to be much more friendly to doctors, nurses and other health care workers. I believe health care should be a public good as is the case in all other wealthy democracies, not a private commodity.

Despite having an abundance of some of the best medical technology and some of the most dedicated doctors and other healthcare workers in the world, America's for-profit health care system in which that technology and those health care professionals is embedded is badly flawed, and poorly serves patients, doctors, nurses and the general public in many important ways.

Here are a few examples:

- Our for-profit health care system is too expensive. Our costs are roughly double those in other wealthy democracies. Much of this spending (up to 30% of the over \$3 billion we spend annually) has been classified as waste by the National Academy of Medicine. Much of that waste is caused by the administrative costs associated with the unproductive complexity of our health insurance system, and more unnecessary costs are produced by higher than necessary prices across the board in the system.
- Too many Americans cannot afford health insurance premiums. Even those with health insurance often cannot afford the out-of-pocket costs

that usually come with it, and find the coverage inadequate when they most need it.

- It is too complex, and is fully understood by only a few policy wonks, navigators and expensive consultants. It is baffling to patients, and poorly or only partially understood by doctors and nurses, and much less by the general public
- It often focuses on the wrong things - we have too much expensive and lucrative high technology, such as invasive Cardiology, Imaging, Oncology and Orthopedics, and too little primary care such as Pediatrics, OB-Gyn, Family Medicine and Mental Health.
- Our investment in primary prevention and other public health measures is ridiculously under-appreciated and underfunded, a fact that has come back to bite us during the current COVID-19 pandemic. The recent catastrophic dismantling of the Federal government's pandemic response capability just prior to the arrival of COVID-19 is just the latest example of the health care system's failure.
- Despite our uniquely high level of spending on medical care, the United States, alone out of all wealthy countries in the world, is experiencing a rising mortality rate and falling life expectancy.
- The shortcomings of our heavy reliance on employment-based health insurance have become apparent to everybody during the pandemic, as millions of Americans lost their jobs, and with them their family's health care coverage..
- Over the past few years these facts have become widely understood by the American public. Our health care system has become the object of scorn, ridicule, and pity throughout the world.

From 2011 to 2015 I wrote a monthly column for the Bangor Daily News about health care policy. For the past decade or so, I have published a blog that distributes clippings of newspaper and journal articles I think to be of importance, about American health care policy. It can be accessed on the Maine AllCare website ([www.maineallcare.org](http://www.maineallcare.org)).

To illustrate some of the absurdities of our system, let me read a couple of headlines from The Guardian that will be in my latest blog posting;

*US health insurers report billions in first quarter as small providers face stress- UnitedHealth Group, reported \$4.9bn in profits in the first quarter of 2021 while CVS Health reported \$2.2bn*

## ***He Bought Health Insurance for Emergencies. Then He Fell Into a \$33,601 Trap.***

*Since the Trump administration deregulated the health insurance industry, there's been an explosion of short-term plans that leave patients with surprise bills and providers with huge revenue.*

These problems have been a long time in the making. The fight over universal health care goes back over a century in the United States

Why is it so hard to change such a dysfunctional system?

In 2015, under the auspices of the National Academy of Social Insurance, I convened a panel of some of the leading health policy experts in the country at the National Press Club to try to identify some of the barriers to change of the American health care system. Many were cultural.

Their consensus was that the following were some of the root causes contributing to political gridlock on health care reform.

They included:

- Apathy and lack of empathy - "I'm OK. If somebody else isn't, it's not my problem".
- Fear - of loss of income or profits, of loss of employment and of government incompetence.
- Anger - fear of other Americans - structural racism
- Ideology - growing reliance on free markets to control costs, assure access to care, and maintain quality. This reliance on market forces continues to be advocated by some, even in the face of glaring signs of market failure in health care. We must move to a system that emphasizes cooperation among health-care providers rather than competition.

- Ignorance - on the part of the public and many policymakers about how the system works
- Greed - The supremacy of shareholder value in American capitalism. There is no such thing as too much profit for a publicly-traded company. Excess profits must be tamped down, and healthcare costs restrained. Markets alone can't do that in healthcare. This must be done through sensible regulation.

**I think we are better than that.**

“The real struggle for a universal health care system in the US is not technical or economic but almost entirely political. Retaining the status quo (for example, tinkering with the Affordable Care Act) is the least disruptive course for the existing medical- industrial complex, and therefore the politically easiest route. Unfortunately, the status quo is too disruptive to the lives of most Americans and the least effective route in attacking the underlying pathology of the US health care system— corporatism run amok. Following that route will do little more than kick the can down the road, which will require repeatedly revisiting the deficiencies in our health care system outlined above until we get it right.

The US public and increasingly the business community are becoming acutely aware of the rising costs and inadequacies of our current system. It is the growing social movement, which rejects the false and misleading narratives, that will lead us to a universal single-payer system—truly the most effective way to reform our health care system for the benefit of the US people.”

- From P. Arno and . P. Caper - The Social Transformation of American Health Care - Health Care Blog - March 20, 2020

It's past time for an overhaul of our healthcare system. LD 1608 is one way to begin that process.

**Vote “Ought to Pass” on LD 1608.**