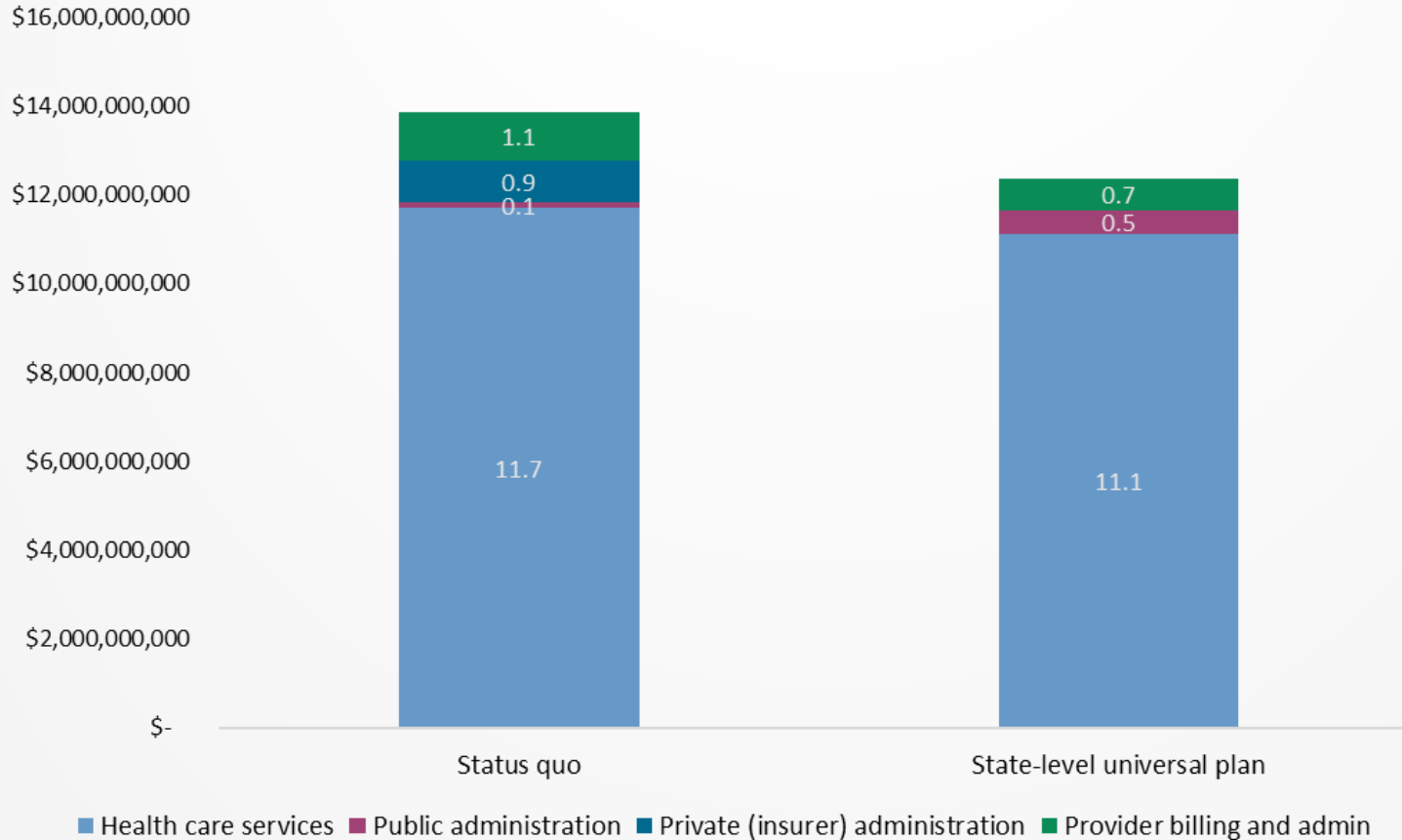


Assessing the Costs and Impacts of a State-Level Universal Health Care System in Maine

December 16, 2019

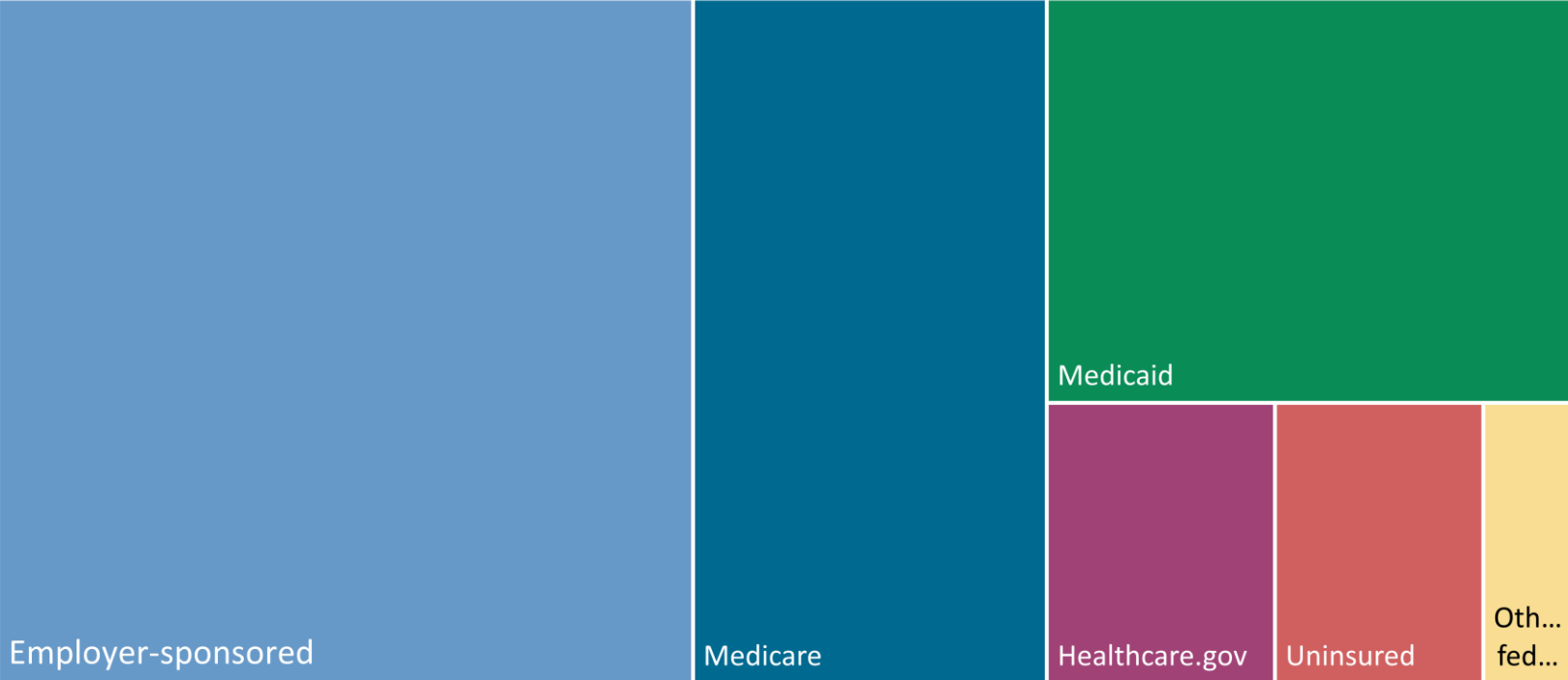
James Myall, Policy Analyst

Total Health Care Spending Would Decline by \$1.5bn

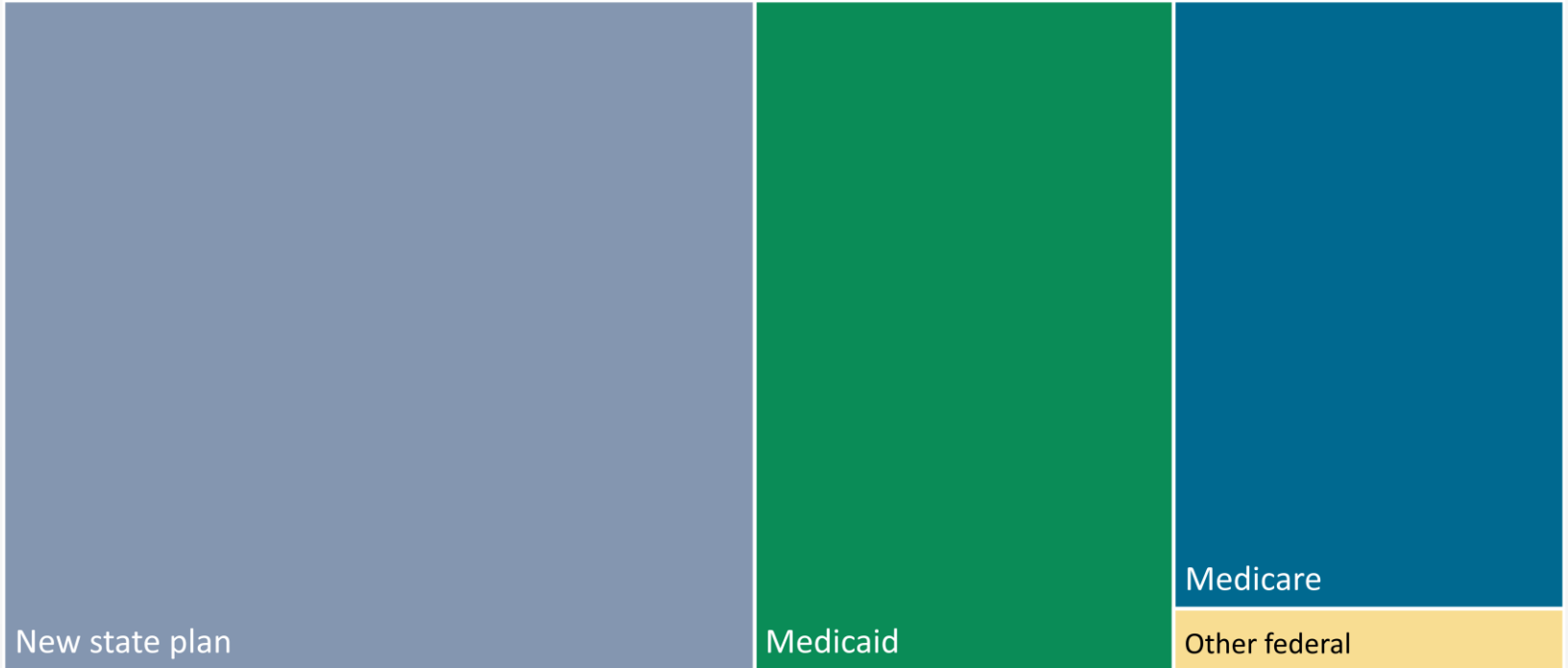


■ Health care services ■ Public administration ■ Private (insurer) administration ■ Provider billing and admin

Current health care landscape



New health care landscape



How Mainers Would be Covered



Most Mainers would be fully covered by the new state plan



Medicaid enrollees would continue to be covered by Medicaid, but with an expanded set of services

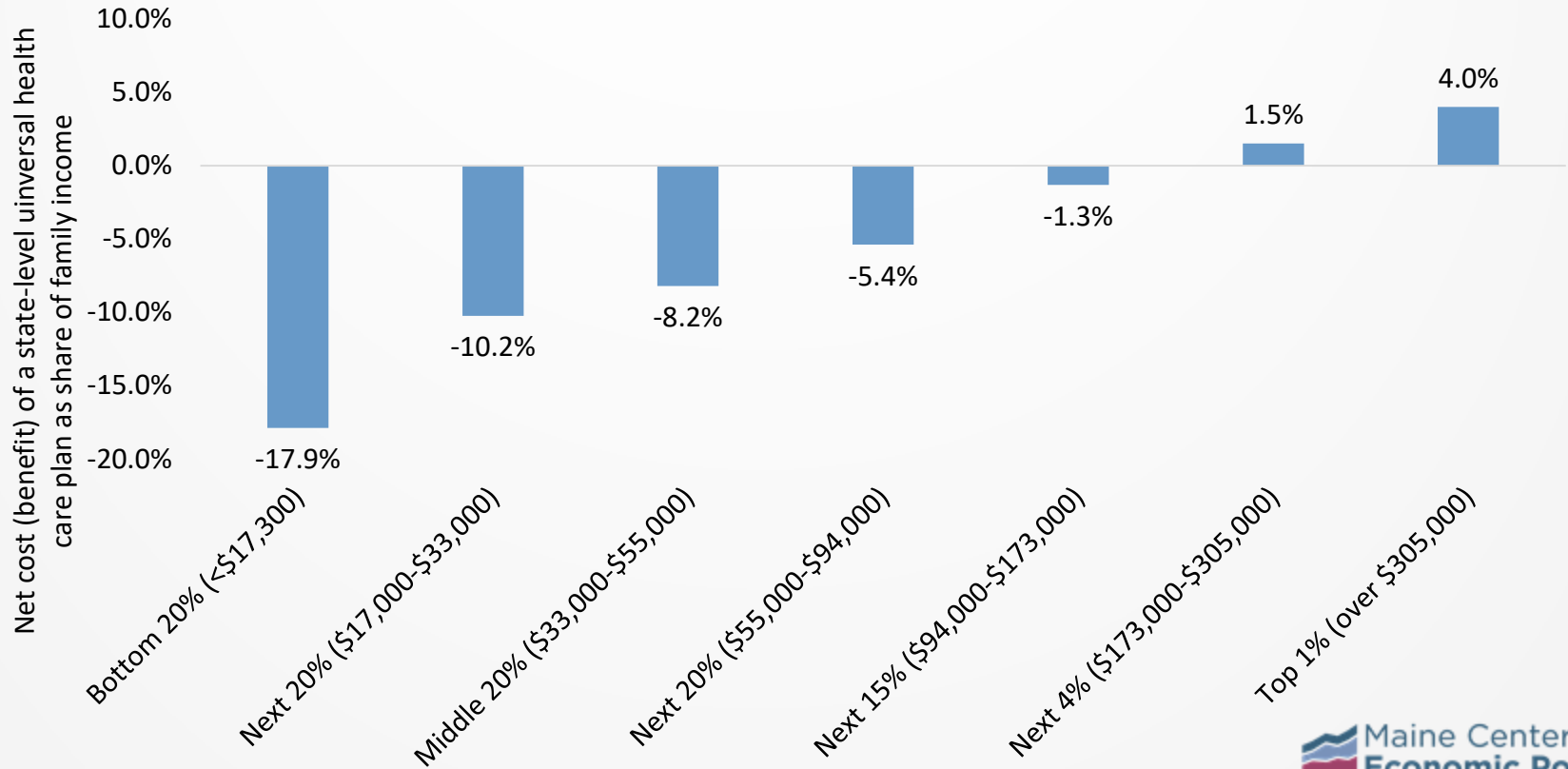


Medicare enrollees would be enrolled in a state wrap-around plan that would pay their out-of-pocket expenses and cover items like hearing, dental, and vision



Mainers in other programs (e.g. the VA) would receive a wrap-around plan to cover any items not paid for by the federal government

Most Maine families would see substantial savings



Hospitals' lost revenue would be offset by other savings



\$362m reduced patient revenue



\$198m new employer premium tax

\$151m administrative savings



\$186m reduced charitable care



\$278m health insurance and workers' compensation savings



Net savings \$55 million

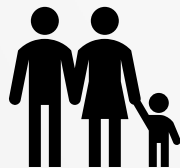
Revenue sources



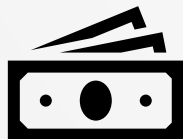
\$1.1 billion in federal funds



\$2.1 billion from a new payroll tax for businesses

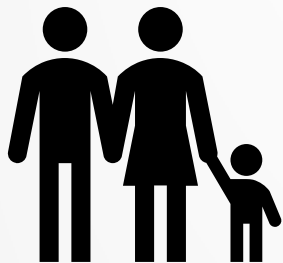


\$1.9 billion from a new individual health care premium



\$0.9 billion from increases to existing taxes

Example family



Couple with one child, annual household income of \$40,000.

Small business owners

Currently:

\$2,500 premiums

\$4,000 out-of-pocket

\$6,500 total

Net savings \$4,000

New Plan:

\$1,120 family premium

\$0 out-of-pocket

\$380 additional tax liability

\$1,500 employer premium

-\$500 workers comp savings

\$2,500 total



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