



---

Massachusetts Chapter  
46 Highland Ave.  
Cambridge

Governor Mitt Romney  
State Capitol  
Boston, MA 02133

November 3, 2005

Dear Governor Romney, Speaker DiMasi and Senate President Travaglini:

We urge you to abandon your ill-conceived proposals for health care reform and to adopt, instead, a single payer program of universal coverage for the Commonwealth.

As physicians and health professionals, we witness the heavy toll of unnecessary suffering endured by patients who delay care and even forego vital treatment due to costs. While the uninsured bear the heaviest burden, many with insurance also find care unaffordable due to co-payments, deductibles and restrictions on coverage. Reforms should address the grave problems of both groups.

Your plans to loosen regulations on health insurance, allowing ever-simpler coverage, would perpetrate a cruel hoax. Such cut-rate policies would cost families thousands of dollars yet offer miserly care and little protection from financial ruin in the face of serious illness. Many who currently enjoy adequate coverage would doubtless be forced into plans with gaping holes and onerous restrictions on choice. If there is one thing worse than being uninsured it's paying dearly for worthless coverage.

Your view that we can achieve universal coverage by forcing people to buy themselves insurance ignores the most basic facts about who is uninsured. Only 12.4% of the 748,000 uninsured in our state are both young enough to qualify for low-premium plans (under age 35) and affluent enough (family incomes greater than 499% of poverty) to readily afford them. Yet even this 12.4% figure may be too high if insurers are allowed to charge higher premiums for persons with health problems; only half of uninsured persons in those age and income categories report that they are in "excellent health" (The statistics in this paragraph were obtained by analyses of data that the Census Bureau collected on Massachusetts residents in March 2005).

Proposals to raid the existing free care pool in order to partially subsidize cut-rate policies would actually worsen the plight of many who are currently uninsured. Under such reforms, patients now eligible for free or low-cost services would often face greater restrictions on care and higher out-of-pocket costs. The only real winners would be the private insurers who would surely gain millions from the sale of near-useless policies.

Replaying Dukakis' failed employer mandate, i.e. making employers pony up more money for coverage, will not lead to universal coverage. As Dukakis found, relentlessly

rising health costs quickly stir rebellion among powerful employers, making the program unsustainable.

While we welcome the expansion of Medicaid as a stopgap measure to cover more poor families, we know that this strategy ultimately leads to a dead end. Inevitably, the next economic downturn will bring a flood of additional families pushed onto the Medicaid rolls just as state tax revenues fall. As in the past, Medicaid will be cut when the need is greatest.

In contrast, a single payer reform would create a stable long-term financing mechanism for health care. It could cut costs by streamlining health care paperwork, making universal, comprehensive coverage affordable. The Commonwealth's three largest private insurers spend more than \$1.3 billion annually on billing, marketing, high executive salaries and other administrative costs. That's ten times as much overhead per enrollee as Canada's national health insurance program. And hospitals and doctors spend billions more fighting with insurers over payments for each aspirin tablet, x-ray and doctor's visit. If we cut bureaucracy to Canada's levels we could save at least 14% of current health expenditures, enough to cover all of the uninsured in Massachusetts and to improve coverage for the rest of our patients as well.

And single payer is popular. Sixty-two percent of Massachusetts doctors support it (according to a recent study in the Archives of Internal Medicine), joining the Massachusetts Nurses Association and dozens of other labor, seniors and consumer groups.

We recognize that a single payer reform threatens the multi-billion dollar insurance industry, and would force down the high profits enjoyed by drug companies. But such interests must not be placed ahead of the health of the people of Massachusetts. Only a single payer system can assure universal and comprehensive coverage at an affordable price. The people of the Commonwealth deserve no less.

Sincerely,