

February 2, 2005

Testimony to the Maine Trade Policy Commission

My name is Dennis Chinoy. I live in Bangor and am an oncology physician's assistant. I've worked at Eastern Maine Medical Center's Cancer Clinic for the past twenty two years. I believe our federal and state governments have an obligation to make sure every citizen has affordable access to essential services, and to protect them from forces that would deprive them of these services. I'm here because I believe healthcare is just such a basic service each citizen deserves and which I worry CAFTA may jeopardize.

Several months ago I would have been surprised to hear myself testifying to a trade commission with concerns about my patients because like most people I thought that trade agreements were all about arcane economic discussions of trade-offs between tariffs, consumer prices, and job growth.

But now I'm discovering that the dull sounding term "non-tariff barriers to trade" as used in CAFTA broadens the scope of trade agreements from taxing merchandise as it crosses the border, to the question of who can sell what to whom, anywhere and for how much, and who can or can't stop them.

More specifically, I understand that "non-tariff barriers to trade" can be interpreted to mean that private companies can demand access to provide, for profit, services that civic institutions currently administer in the public interest. And that for-profit companies can sue governments for lost profits, or even anticipated future profits, if they can convince a non-elected trade tribunal that government restraints on their business practices are "burdensome," even if these regulations are intended to protect the public's health and safety, equitable access to essential services, or the environment.

From my health care provider's perspective, I am therefore very concerned that CAFTA may become a license for large pharmaceutical industries to challenge our government's capacity to ensure that my patients can have access to less expensive prescription drugs or affordable health care.

Specifically, it would appear that under CAFTA pharmaceutical companies could challenge a state policy that permits the cheaper re-importation of medications, preventing my patients from paying cheaper prices for their drugs. Moreover, I'm concerned that the pharmaceutical industry, which just lost its case to overturn the Maine RX law in a federal court, could bring its case under CAFTA to a trade tribunal, claiming the law infringes on its profit margin. Infringing on drug company profit margins, of course, is exactly what the Maine RX law was intended to do.

Dirigo Health Care may likewise be vulnerable to a health insurance industry suit that the State of Maine is discriminating against a private insurer by providing public moneys preferentially to a government-administered plan. For that matter, I wonder if

the administration of Medicare itself could find itself on the auction block, and run on a for-profit basis.

I am not an expert in healthcare economics or in international trade matters. But in each of these scenarios, under CAFTA a for-profit company, responsible only to its shareholders, may be able to challenge the regulation of healthcare services market by the government, which by contrast is responsible to all its citizens who need healthcare. And a “non-tariff barrier to trade” which somehow sounds like a bad thing, simply translates to “government protection from companies profiteering at the expense of its most vulnerable citizens” which sounds a lot better.

I’m here to talk about healthcare, but it’s worth noting that it’s the universe of essential goods and services which is up for grabs here. I can’t think of a reason not to be concerned that under CAFTA the food industry could challenge as burdensome FDA regulations requiring proof that its products are safe, rather than using the less onerous standard that withdraws items only if there’s proof they are toxic. We can reasonably be concerned that the public education system could be successfully challenged by community-minded corporations who would like to provide education services to future consumers of its products. The list goes on. If anyone on the commission understands why any of these scenarios is incompatible with the CAFTA provisions, I’d be relieved to know.

What I do know something about is providing day-to-day medical care to sick patients. So I’ll just express my appreciation to this commission for soliciting citizen input regarding abstract trade agreements that can have specific, personal and painful consequences for people already ill. These mini-dramas are played out confidentially in one exam-room encounter after another, day after day, hidden from public view: It is clear to me that patients without adequate healthinsurance or access to affordable medicines have more pain, more nausea, more anxiety and depression, more suffering, delayed diagnosis, cutting your pills in half, choices between food and medicine, insult to injury.

I believe all of us in Maine want a healthcare system that serves everybody regardless of their income, rather than a healthcare boutique which serves those who can afford to pay and shucks the rest. The State of Maine has taken a ground-breaking activist stance in passing landmark legislation to help provide all its citizens with affordable healthcare and affordable prescription drugs. I urge the commission to communicate with our Congressional delegation to make sure these gains are preserved and extended, and not annulled by CAFTA.

I very much appreciate the chance to speak to you.

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