

Testimony of David A. White
before the
Maine Citizen Trade Policy Commission
2/3/05

Good evening distinguished commission members, Senators, Representatives, and fellow citizens. My name is David White. I own a small business on Mount Desert Island. I'm an executive board member of the Maine People's Alliance, and I'm addressing you on behalf of our 25,000 members.

Two years ago today I presented testimony before the Health and Finances Commission regarding the unsustainable rise in the cost of health insurance, and its devastating effect upon everyone in Maine. I had never done anything like that before. I continued to study and involve myself in Maine's address of the health care crisis. I was a member of the Benefits Sub-committee of the Health Action Team, and participated in the deliberations that resulted in the creation of the Dirigo Health Reform Act. I am now a member of the Maine Quality Forum Advisory Counsel, representing consumers, MaineCare recipients, and the uninsured. I am no longer a casual observer of the health care crisis.

Most everyone knows that the leading cause of increasing local taxes, across our great country, is school taxes. Most do not recognize that the leading driver of increasing school taxes is the cost of providing health

insurance to school employees. The unsustainable rise in the cost of health insurance threatens jobs, decreases wages, and increases the cost of virtually every public and private good and service. Americans spent over 1.7 trillion dollars last year on health care, making it the largest industry in the USA. It accounts for over 15 percent of our Gross National Product. Maine alone spent over 7 Billion dollars in health care last year.

This Commission is the only one of its type in all 50 states. Maine is well known and respected nationally for its forward thinking and courage in addressing tough issues with 'Yankee ingenuity'. The Dirigo Health Reform initiative is likewise the first in the nation to address the 'three-heads' of Cost, Quality and Access that compose the monster we call the health care crisis. In its present form CAFTA could threaten the very foundations of Dirigo, undermine our commitment to public health, and increase the cost of prescription drugs. It does this by judging all things by their narrow economic benefit alone. It establishes non-governmental control over local, state and federal policy and law.

I want to direct your attention to the references found at the end of my written testimony. Among them is an article that appeared in last month's (1/05) American Journal of Public Health. The authors present several examples of problems that have already occurred under NAFTA and other international trade agreements, and their serious and substantive adverse

implications for public health. Among these is the extension of pharmaceutical patents, which disable the ability to produce generic drugs. Rising drug prices account for nearly 30 percent of the yearly increase in health care costs. And under CAFTA companies outside of the US can sue states and municipalities for lost revenue resulting from attempts to outlaw toxic chemicals or from requiring their clean-up.

CAFTA is a bonanza for huge businesses. It increases corporate control of the global economy. It absolves businesses from responsibility for increasing their profits at our expense. And it undermines local, state, and even federal controls.

I urge you, on behalf of the Maine People's Alliance to familiarize yourselves with the reference material I've noted. We sincerely thank you for examining this issue for the People of Maine. Thank you for the privilege of addressing you this evening.

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- (1) Ethics in Public Health Research, American Journal of Public Health. January 2005, Vol 95, No. 1
- (2) CAFTA and Access to Medicines, University of Washington

Additional sources:

FamiliesUSA (www.familiesusa.org)

The Commonwealth Fund (www.cwf.org)

Rand Corporation: Health Policy Institute (www.rand.org)

Health Affairs (www.healthaffairs.org)