

MEDICARE FOR ALL? OR SOME? OR NONE?

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The Medicare Payment Advisory Commission

is a nonpartisan legislative branch agency that provides the U.S. Congress with analysis and policy advice on the Medicare program.



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Medicare Payment Advisory Commission

- Independent, nonpartisan, legislature branch agency that provides the U.S. Congress with analysis and policy advice on the Medicare program
- 17 national experts selected for expertise, not representation
- Appointed by Comptroller General for 3-year terms (can be reappointed)
- Make recommendations to the Congress and the Secretary of HHS
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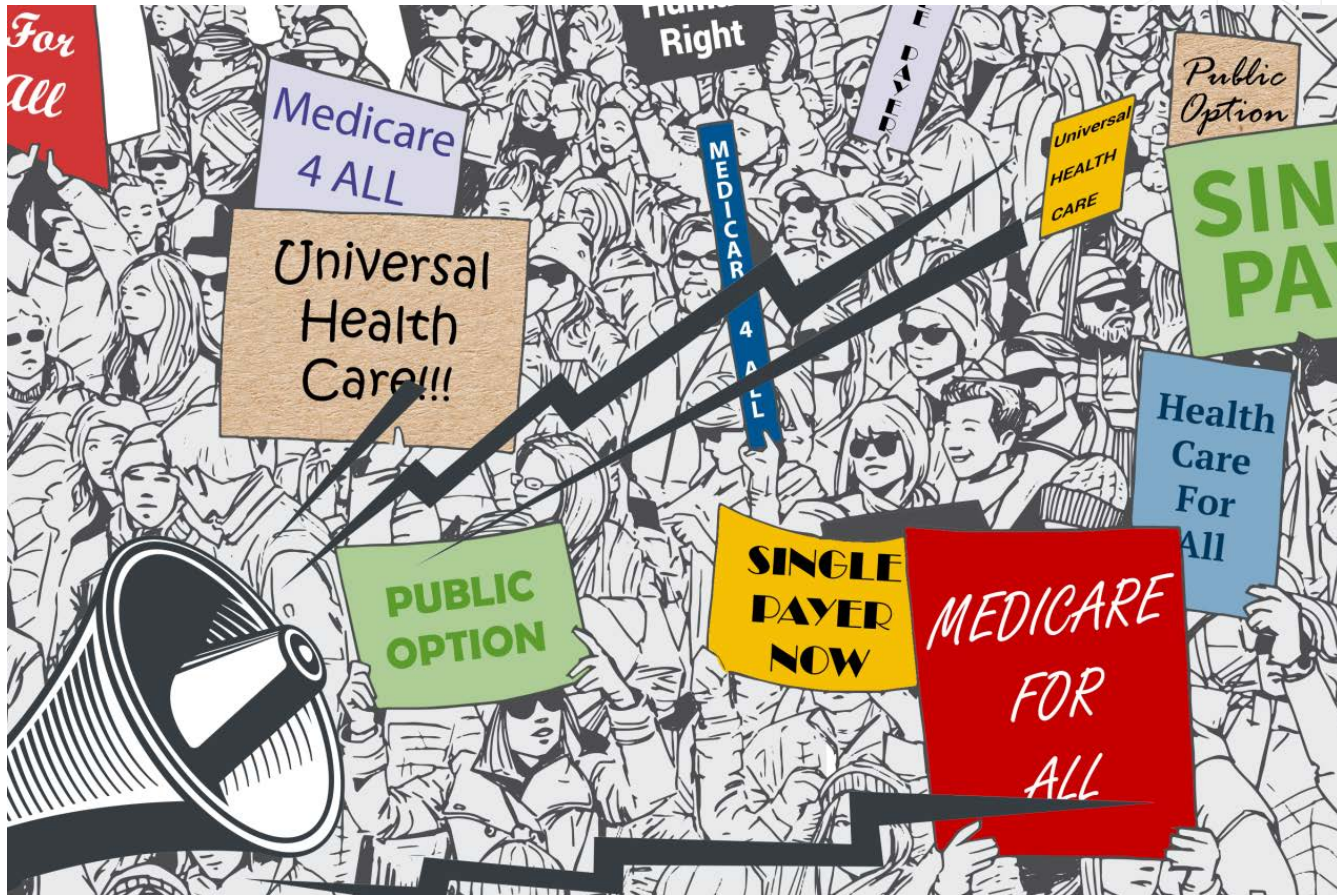
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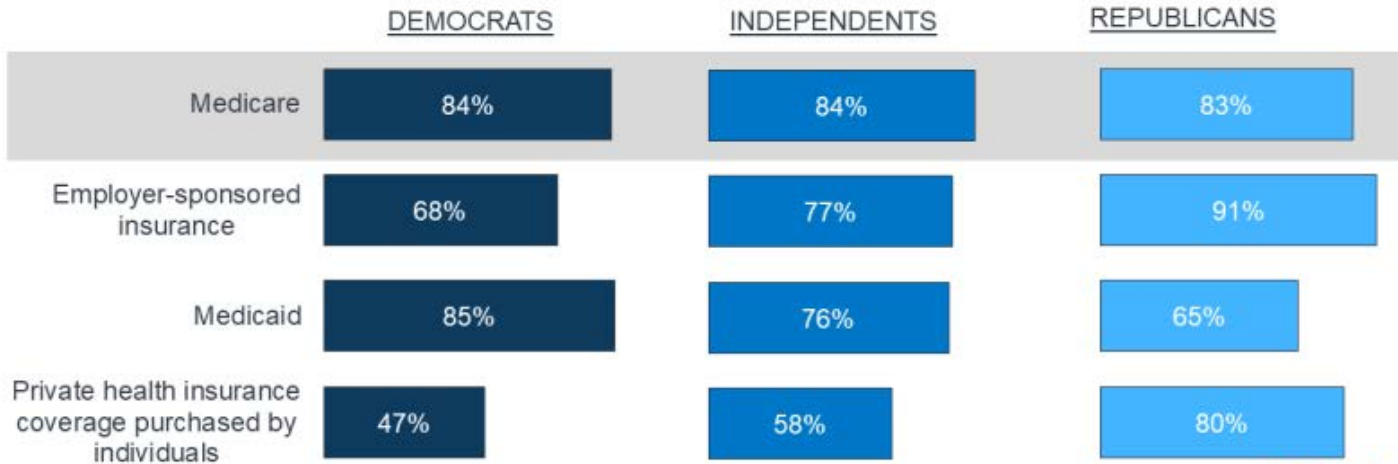
Medicare is...

- Most important source of health insurance for over 60 million Americans
- Expensive
 - \$730 billion in benefit payments in 2018 and growing.
 - A critical factor in every federal budget debate – 15% of federal budget.
- Politically polarizing
 - Exposes basic philosophical differences.
 - “You and I are going to spend our sunset years telling our children and our children’s children what it once was like in America when men were free.”
- Popular

Figure 7

At Least Eight In Ten Across Partisans View Medicare Favorably But Views Differ On Other Forms Of Health Insurance

Percent who say they have a **favorable** opinion of each of the following:



SOURCE: KFF Health Tracking Poll (conducted July 18-23, 2019). See topline for full question wording and response options.



Source: KFF Health Tracking Poll – July 2019: The Future of the ACA and Possible Changes to the Current System, Preview of Priorities Heading Into 2nd Democratic Debate. July 30, 2019.

The New York Times

Does Anyone Really Know What 'Medicare for All' Means?

More and more politicians are calling for single-payer health care. Is it just talk?

By Elisabeth Rosenthal and Shefali Luthra

Dr. Rosenthal was an emergency room doctor before becoming a journalist. Ms. Luthra is a correspondent for Kaiser Health News.

October 19, 2018

“Medicare for All”

- A national health plan in which all Americans would get their insurance from a single government plan (not Medicare!)
- A national government administered health plan similar to Medicare that would be open to anyone (a “public option”), but would allow people to keep the coverage they have
- Allowing people between the ages of “x” and 64 to buy health insurance through Medicare

What are the key differences between Medicare-for-all and public plan option proposals?

Medicare-for-all

- Creates a new “Medicare” government-administered program for all Americans
- Replaces Medicare, Medicaid, employer and marketplace insurance
- No premiums or deductibles and virtually no cost sharing
- Comprehensive benefits, including long-term services and supports (LTSS)

Public Plan Option

- Creates a government-administered public option
- Retains Medicare, Medicaid, employer and marketplace insurance
- Enhances premium and cost sharing subsidies in ACA marketplaces and the public option
- Proposals vary by:
 - Who is eligible
 - Auto-enrollment of certain groups
 - Benefits
 - Treatment of Medicare and Medicaid
 - Premium and subsidy calculation in ACA and public option



Source: Where Do the Democratic Candidates Stand on Health Reform? Kaiser Family Foundation. December 17, 2019.

Even supporters may not understand Medicare for All

Drew Altman, Kaiser Family Foundation

March 2, 2020

Would this happen under Medicare for All?

KFF Health Tracking Poll of 1,212 U.S. adults, Jan. 16-22, 2020

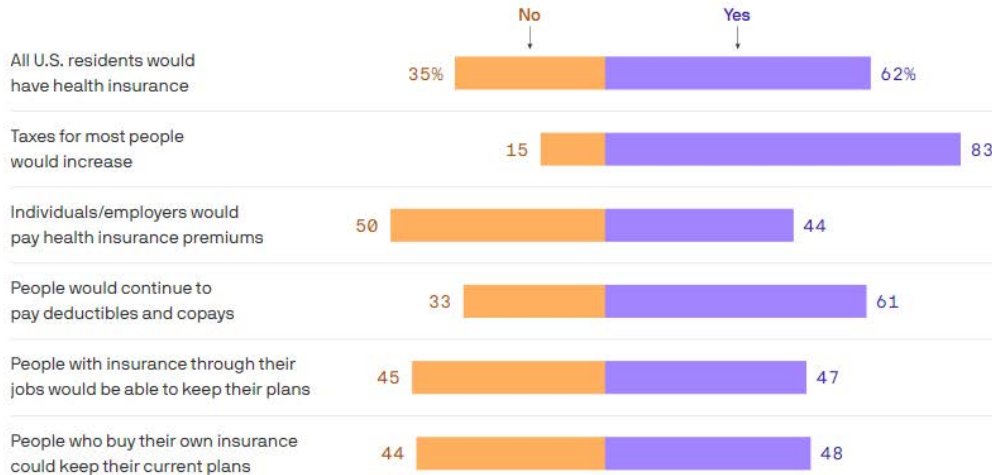
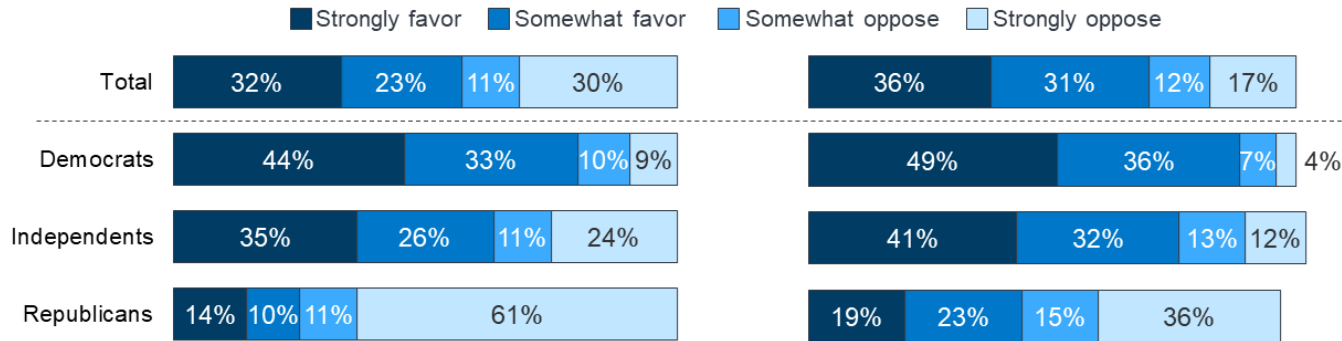


Figure 3

Larger Shares Favor A Public Option Than A Medicare-for-all Plan

A national health plan, sometimes called **Medicare-for-all**, in which all Americans would get their insurance from a single government plan

A government-administered health plan, sometimes called a **public option**, that would compete with private health insurance plans and be available to all Americans



SOURCE: KFF Health Tracking Poll (conducted January 16-22, 2020). See topline for full question wording and response options.



Source: KFF Health Tracking Poll – January 2020: Medicare-for-all, Public Option, Health Care Legislation And Court Actions. January 30, 2020.

How do Medicare-for-all or public plan proposals affect the current **Medicare** program?

Replaces current Medicare with Medicare-for-all, with enhanced benefits, no premiums, deductibles, or cost sharing



Lowers Medicare eligibility to age 50, auto enrolls low-income 50-64 year olds; adds cap on out-of-pocket spending & other benefits



Retains Medicare, adds a cap on out-of-pocket spending



No change to Medicare benefits or eligibility



All 7 candidates support proposals to address Medicare drug prices.

NOTE: Analysis among candidates with their own proposal. Buttigieg would also enhance Medicare provider payment rates in underserved areas, eliminate co-payments on all generic and biosimilar drugs for low-income people in Medicare and improve access to mental health and substance use disorder treatment. Klobuchar and Sanders introduced legislation which would allow the Secretary to negotiate drug prices.



Source: Where Do the Democratic Candidates Stand on Health Reform? Kaiser Family Foundation. December 17, 2019.



Supporters Say Medicare-for-All Will:

- Reduce health care expenditures
 - Administrative costs
 - Prices (pharmaceutical and services)
- Constrain growth in health care spending in the future
- Remove most of financial burden of health care from individuals and reduce provider incentives not to provide care for poor patients
- Be good for the economy and business community

Opponents Say Medicare-for-All Will:

- Move us down the path to socialism/communism
- Degrade the health care system and seniors' experience in Medicare
- Eliminate (quickly or gradually) private health insurance
- Increase our nation's federal debt problem

The Washington Post

Democrats back off once-fervent embrace of Medicare-for-all

By Chelsea Janes and Michael Scherer

August 20, 2019

The Washington Post

Medicare-for-all is political suicide for Democrats

By John Delaney

John Delaney, a Democrat, represented Maryland's 6th Congressional District from 2013 to 2019 and is a candidate for president.

June 6, 2019

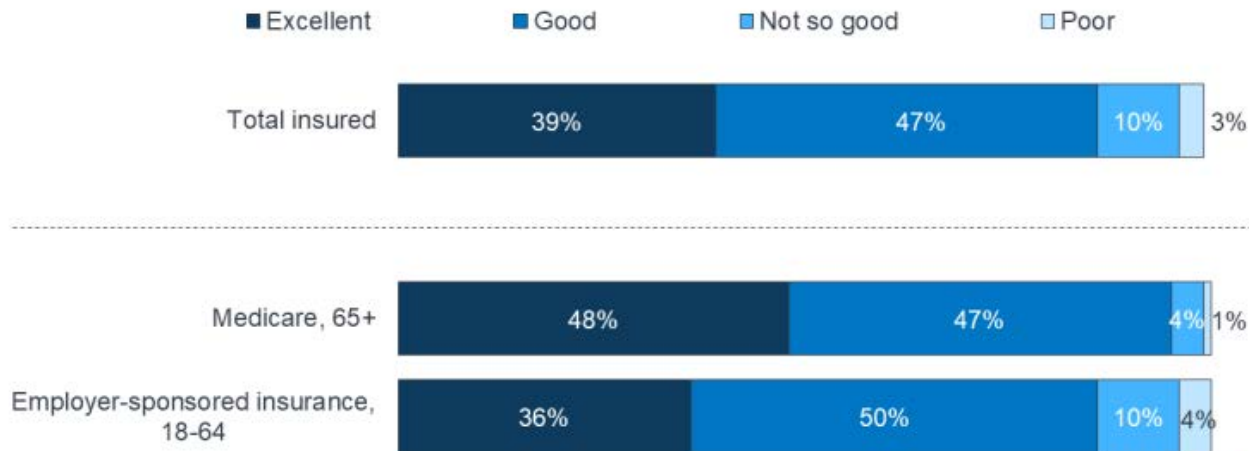
Medicare-for-all is bad policy for the country and bad politics for the Democratic Party. The Democratic nomination for president shouldn't go to anyone who supports it, and Medicare-for-all shouldn't be in the party's 2020 platform. If we Democrats become the party of Medicare-for-all, advocating that every U.S. citizen is forced into a government-run health-insurance program, President Trump will be reelected and Republicans will control both houses of Congress — ensuring that today's health-care system will be endangered by renewed GOP attacks.



Figure 8

Majority Of Insured Adults, Despite Whether They Have Private Or Public Health Insurance, Rate Their Coverage Positively

How would you rate your overall health insurance coverage?



SOURCE: KFF Health Tracking Poll (conducted July 18-23, 2019). See topline for full question wording and response options.



Source: KFF Health Tracking Poll – July 2019: The Future of the ACA and Possible Changes to the Current System, Preview of Priorities Heading Into 2nd Democratic Debate. July 30, 2019.

Medicare for All Would Abolish Private Insurance. 'There's No Precedent in American History.'

By Reed Abelson and Margot Sanger-Katz

March 23, 2019

At the heart of the “Medicare for all” proposals championed by Senator Bernie Sanders and many Democrats is a revolutionary idea: Abolish private health insurance.

Proponents want to sweep away our complex, confusing, profit-driven mess of a health care system and start fresh with a single government-run insurer that would cover everyone.

But doing away with an entire industry would also be profoundly disruptive. The private health insurance business employs at least a half a million people, covers about 250 million Americans, and generates roughly a trillion dollars in revenues. Its companies' stocks are a staple of the mutual funds that make up millions of Americans' retirement savings.





Seema Verma links 'medicare-for-all' to 'failed socialist healthcare'

By Steven Porter

March 4, 2019

"Let me be clear: Expanding Medicare will ruin the program for the seniors it was created to serve, and it would decrease the quality of care that we, as Americans, have come to expect as the world's leader in innovative health care," Verma said.

"Now, it's true that our present system needs improvement; however, doubling down on government and mimicking the failed socialist healthcare systems of Europe that ration and restrict care, where patients face long periods of time for care, is not the answer," Verma added.

The Washington Post

A question missing from the health-care debate: Will doctors make less money?

By Catherine Rampell

August 1, 2019

But in fact the real third rail of health-care reform — whether we're talking about single-payer, a public option or anything else — is the question no one seems to be asking: *Will you require doctors to make less money?*

POLITICO

The Army Built to Fight ‘Medicare for All’

By Adam Cancryn

November 25, 2019

The top health industry lobbies have joined forces to take down socialized medicine — or anything that looks like it. Will they succeed?

Partnership for America's Health Care Future

Health care industry group launches digital ads against 'Medicare for all'

A health care industry group on Thursday launched a digital ad campaign against "Medicare for all", as health care companies ramp up their efforts to fight the idea gaining ground on the left.



© Getty Images

The Washington Post

Congress showers health care industry with multi-billion victory after wagging finger at it for much of 2019

By **Jeff Stein** and **Yasmeen Abutaleb**

December 20, 2019

Moving to Medicare-for-All Likely Will Increase the Federal Debt

- Moving to any version of “Medicare for all” likely would increase federal on-budget expenditures by a substantial – some say staggering – amount.
- The tax bill passed by Congress in 2017 has increased, and will continue to increase, rate of growth in the federal debt and add to pressure to contain Medicare spending growth.

Democratic Party is Heavily Conflicted Regarding Medicare-for-All

Rahm Emanuel

Someone needs to say it: Medicare-for-all is a pipe dream

“The bottom line is that there’s simply no path to enacting Medicare-for-all in the current political environment, and promising something we can’t deliver will do nothing but depress Democratic turnout in years to come. Since we’re already proposing to rewrite the tax code, decriminalize the border, give everyone free college and eliminate the use of fossil fuels with the Green New Deal — all initiatives that will require us to expend enormous amounts of political capital — maybe we want to be strategic on at least one big-ticket item.... Our approach to health care needs to be centered on political reality, not a pipe dream.”

Source: Washington Post, October 25, 2019.

If Democrats Win, They Are More Likely to Push for a Nationwide Public Option, or an Expansion of Medicare Eligibility, Rather Than Medicare for All

- Would be voluntary; employers could keep offering insurance to employees
- Federal cost would be far less and therefore easier to finance
- Overall less threatening to private payers and providers
- On-the-ground politics is less daunting
 - Under the most optimistic Democratic election projections, the party retains the House, gains the Presidency, and ends up with 51 Senate seats
 - 60 votes in the Senate needed to pass Medicare-for-all but (possibly) 51 to pass a public option or make Medicare eligibility changes through a budget reconciliation strategy

Navigating The Shifting Terrain of U.S. Health Care Reform - Medicare for All, Single Payer and The Public Option

“The debate over what Medicare for All means and which model of Medicare (or Medicare-like) expansion to pursue reflects persistent tensions in health policy between pragmatism and principle, incremental and systemic reform, and building on or tearing down the status quo.”

The results of the 2020 election seem unlikely to clarify the direction we will take as a nation.

Source: Jonathan Oberlander, The Milbank Quarterly, December 2019.

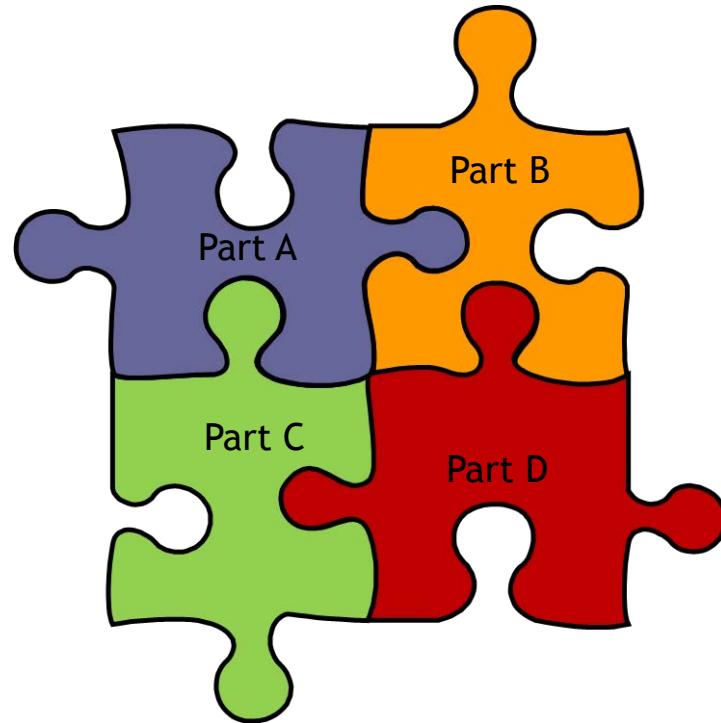


Medicare For All? CMS Chief Warns Program Has Enough Problems Already

By Phil Galewitz • OCTOBER 16, 2018



Medicare Structure





The New York Times

Medicare's Trust Fund Is Set to Run Out in 8 Years. Social Security, 16.

By Robert Pear

June 5, 2018

The projections are the first from the administration since President Trump signed a \$1.5 trillion tax cut into law in December. They show no sign that a burst of economic growth will significantly improve the finances of the government's largest entitlement programs.

The Medicare trust fund will be depleted in 2026, the administration said. By contrast, the government said last year that the trust fund would be exhausted in 2029.

Health Affairs

MedPAC's Urgent Recommendation: Eliminate MIPS, Take A Different Direction

By Francis J. Crosson, Kate Bloniarz, David Glass, James Mathews

March 16, 2018

Insurers Game Medicare System to Boost Federal Bonus Pay

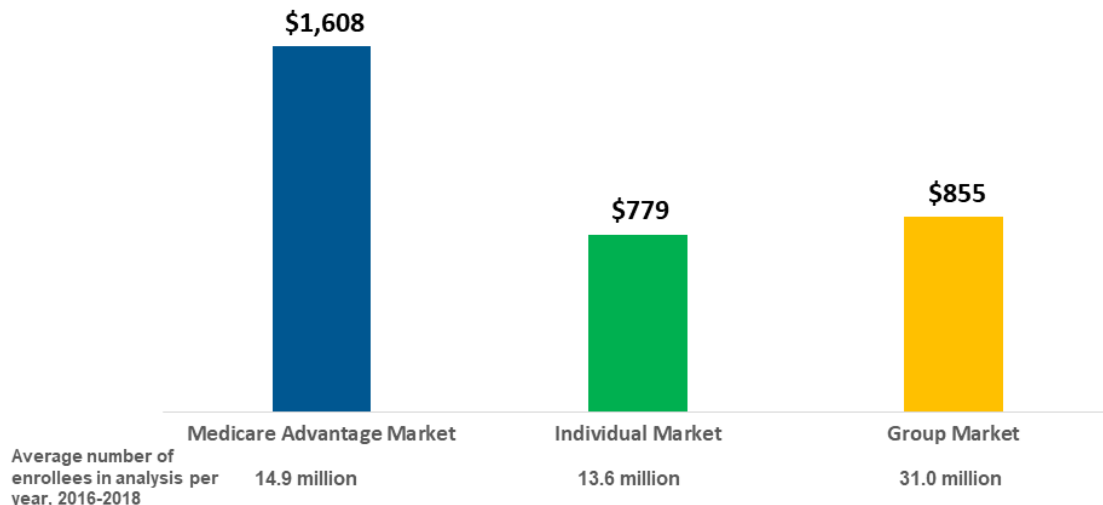
By Anna Wilde Mathews and Christopher Weaver

March 11, 2018

Figure 1

Annual gross margins in the Medicare Advantage market were about double the margins in the individual and group markets

Average Gross Margins per Covered Person per Year, 2016-2018



Note: The group market only includes fully-insured plans. Enrollment numbers do not include plans that do not file data with the NAIC, plans licensed as life insurance, California HMOs regulated by California's Department of Managed Health Care, plans that recorded negative premiums, claims, or enrollment numbers, or plans domiciled outside of the U.S. Figures are averaged across 2016, 2017, and 2018.

Source: Kaiser Family Foundation analysis of data from Mark Farrah Associates Health Coverage Portal TM.



Source: Jacobson, et al. Financial Performance of Medicare Advantage, Individual, and Group Health Insurance Markets. KFF, August 5, 2019.

Health Affairs

Why Medicare Advantage Plans Are Being Overpaid By \$200 Billion And What To Do About It

By Richard Kronick

January 29, 2020

Medicare Drug-Price Negotiation — Why Now . . . and How

Richard G. Frank, Ph.D., and Len M. Nichols, Ph.D.

October 10, 2019

N Engl J Med 2019; 381:1404-1406

DOI: 10.1056/NEJMp1909798

With COVID-10, the Medicare Program Now Faces Challenges It Never Imagined



The COVID-19 Impact on Current Medicare Programs and Beneficiaries

- Fewer dollars flowing to Part A trust fund
- More pressure to raise hospital and physician payments
- Greater likelihood of drug shortages for Medicare beneficiaries
- More virtual care for treatment of chronic conditions
- Delayed treatment for cancer and heart disease
- Higher death rates for older Medicare beneficiaries



Medicare Short-term Changes in Response to COVID-19

- Coverage of COVID-19 test with no out of pocket costs
- Coverage of FDA authorized COVID-19 antibody tests
- Coverage of all medically-necessary hospitalizations for COVID-19
- Temporarily expanded coverage of telehealth services
- Coverage of “virtual check-ins” with providers
- Coverage of COVID-19 vaccination when (if) vaccine is developed
- New payment codes allowing providers to bill directly for COVID-19 related services
- Medicare Advantage plans have the flexibility to make similar coverage changes

Source: [medicare.gov/medicare-corona-virus](https://www.medicare.gov/medicare-corona-virus)

COVID-19 Has Reinvigorated the Medicare for All Debate

Proponents: Medicare for All would have resulted in a more coordinated, centralized response; coverage for critical services; less financial burden; no loss of coverage with loss of employment

Opponents: Mixed performance, by countries with centralized government run systems; centralized systems restrict access to care and stifle innovation in vaccine and treatment development; inept CDC performance



The Political History of Medicare

Jonathan Oberlander

As Medicare's journey continues in coming years amidst a polarized political environment, ongoing controversy over healthcare reform, an aging population, and imposing budget pressures, the question is not whether Medicare will change, but how. Fifty years after its enactment, the Medicare debate is not over.