Colorado Foundation for Universal Health Care

Comparison of National Health Care Reform Proposals

Single Payer Universal Coverage Proposals

<table>
<tr><th>Name of proposal</th><th>Description</th><th>Universal or public option</th><th>Does it reduce complexity?</th><th>Does it reduce the cost to all payers combined?</th><th>Foundation Position</th></tr>
<tr>
<td>Medicare for All
S.1129
Sanders</td>
<td>Phase in over a 4-year period.
In the 1st year adds dental, hearing, vision, with kids 0-18 eligible. Medicare Parts A, B and D, deductibles and co-pays, are eliminated (except for certain non- generic drugs). Eligibility age reduced to 55.

Repeals Hyde Amendment prohibiting abortion coverage.

Covers home and community-based care through expanded Medicare.

Care in nursing homes would continue under Medicaid.

2nd Year: age reduced to 45
3rd Year: age reduced to 35.
4th Year: everyone in and no employer plans.</td>
<td rowspan="2">Universal single payer

Covers 100%:
These plans ensure that everyone has health care and eliminates or limits out-of-pocket expenses, which fully addresses the issue of under-insurance. They add dental, vision, and hearing benefits.

These plans are referred to as forms of Improved Medicare for All.</td>
<td rowspan="2">Yes

One (single) payer after 4 years, will drop private insurance and the army of clerks that providers must have in order to deal with a multiplicity of plans.

All providers are enrolled; consumers have full choice of provider while eliminating complexity of restricted provider networks.

Provider payments will cover cost of medical care, eliminating the need for cost shifting.

All consumers will have full coverage and not be required to make confusing choices about which policy to buy.

HR 1384 will have one single payer after 2 years.</td>
<td rowspan="2">Yes

The drop in administrative costs due to a single payer and the reduction in complexity are substantial, accounting for over 20% of health care expenses.

Drug prices will be lower, with negotiations accounting for as much as 4% of all expenses.

Due to the market power of a single payer, excessive for-profit hospital prices will be reduced, accounting for 3% of expenses.

Over the long-term, better treatment coordination and continuity, along with preventive care, will lower costs.</td>
<td rowspan="2">Full Support

• These plans will lower the cost of all payers combined, by eliminating the administrative costs that the multiple private plans produce, reducing waste, and containing excessive profits.

• Both markedly reduce complexity by eliminating the bureaucracy associated with the multiplicity of private health insurance plans.

• Both substantially improve access to comprehensive health care for all Americans and provide universal coverage for comprehensive, quality health care.

• Everyone would have their health care needs met without becoming impoverished</td>
</tr>
<tr>
<td>Medicare for All Act of 2019
H.R. 1384
Jayapal</td>
<td>Phase in over 2 years 1st yr over 55 and under 19, others may buy in.
2nd year everybody is in.

Repeals Hyde Amendment.

Covers all health services, including Medicaid long term care and improves coverage.

Global budgets for hospitals and nursing homes through a process of negotiation.

Coverage will match the Sanders Bill S1872 and be implemented immediately. Medicaid will be folded into the new Medicare.</td>
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Multi-payer Universal Coverage Proposals

Name of proposal	Description	Universal or public option	Does it reduce complexity?	Does it reduce the cost to all payers combined?	Foundation Position
Medicare for America H.R. 2452 DeLauro Schakowsky	This bill is a version of Medicare Extra proposed by the Center for American Progress. Benefits cover prescription drugs, dental, vision, and hearing services. Covers long-term supports and services for those living with disabilities and seniors, and compensates family caregivers. Premiums based on income with subsidies to low income and no premiums for poor. Deductibles for an individual (including seniors and current Medicare beneficiaries) will be $350; $500 for a family (based on a sliding scale for individuals and families between 200 and 600 percent of the Federal Poverty Level). Maximum out of pocket costs for an individual (including seniors and current Medicare beneficiaries) will be $3,500; $5,000 for families (based on a sliding scale for individuals and families between 200 and 600 percent of the Federal Poverty Level). Premiums will vary by family composition, but no individual or family will pay more than 9.69% of monthly income towards their monthly premium.	Universal multi-payer Achieves universal coverage by enrolling the uninsured, those who purchase their health insurance on the individual market, and those currently on Medicare, Medicaid, and CHIP. Large employers can continue to provide employer-sponsored care, if it is gold-level coverage. Or, they can direct that contribution toward their employee's MFA premiums. Or, employees will have the option to choose MFA over employer-sponsored coverage.	No Many people still must make complex choices of insurance and deal with the limitations of a restricted provider network. Voluntary opt-in for employers and employees, but with premiums, co-pays, and deductibles based on income. Leaves private insurers and multiple payers in the system and increases administrative complexity by adding one more system.	No Has cost controls that include reducing the payments to insurance companies for Medicare Advantage, reducing administrative costs on the payer side for those who join Medicare, with Medicare negotiating the price of medications. Has the advantage of giving people the choice of keeping employer- sponsored insurance if they are satisfied, but makes combined health care expenses much greater, which is a disadvantage. These cost controls only partially reduce costs. Covering the uninsured costs more than savings. Major cost reductions require removing administrative complexity, while adding one more system makes it worse. In addition, it does not have the market power of a single payer system, which is needed to control for-profit hospital profiteering and pharmaceutical prices.	Support We support these plans because they provide universal health care and they may provide a transitional step to a universal health care system that does lower costs and reduce complexity. If incentives are strong enough for almost everyone to join Medicare Extra, then, after some years of increased expenses, combined expenses will drop to the level of a single-payer system. The support is limited because these plans represent a patchwork solution that preserves many of the inefficiencies of the current system. In the short run, these plans markedly increase overall costs and complexity.

Affordable Care Act with Public Option Proposals

Name of proposal	Description	Universal or public option	Does it reduce complexity?	Does it reduce the cost to all payers combined?	Foundation Position
Medicare E, Murphy and Merkley	This Plan would continue the current system, and provide some improvement, but at greater cost and complexity. Voluntary for employers and employees.	**Public Option** Provides insurance for most but leaves under-insured: Public options only address the number of insured, but do not address the problem of under- insurance, which is now more common than no insurance. These public options move the winners and losers around. Some people pay less for insurance, and taxpayers pay more. The net effect is that the combined expenses through taxes, premiums, or out-of-pocket, are even more than they are now.	**No** Private health insurance would continue and there would be multiple payers, requiring many claims adjusters. Premiums, co-pays, out-of-pocket payments and deductibles would finance these plans.	**No** The public option plans have small savings because the administrative expenses on the payer side would be lower for those who join the public option. Some of the proposals have a limited ability to deal with pharmaceutical prices. The increase in costs from covering more people would be much greater than the savings.	**Neutral** On the positive side, each of these public option plans offers piecemeal improvements, which provide more coverage and lower costs for some. We would not oppose a proposal that helps some. However, there are several negatives. • The impact is small in relation to multiple and severe problems in the health care system. • One of the purposes of these incremental approaches is to avoid discussion of universal health care and keep it off the table. • Although promoted as politically feasible and an immediate improvement, these proposals are opposed with full intensity by opponents of universal health care. • Passage and implementation usually take four or more years, time that would be better spent advocating for the real solution, universal health care.
Medicare X, Kaine and Bennet	This is a very limited public option plan. The plan is voluntary and only for individuals.				
Medicaid Buy-In, Schatz et al	Only a modest number of the 5.8 million covered by Medicaid expansion states could join.				
"Healthy America," Urban Institute Plan	Voluntary enrollment by individuals and employers. Tax deduction for employers is maintained. Auto enrollment for SNAP & TANF. Non-elderly disabled can retain Medicaid or enroll in Healthy America (which will have same coverage as Medicaid). Undocumented not eligible for subsidies. States would be required to maintain current Medicaid levels of funding. Premiums are based on income with the poor paying little or nothing while tying plan benefits to premium payments for higher income, such that lower premium "standard" plan would have $1,500 deductible and out-of-pocket limit of $6,850 for a single adult in 2018. Other plans would cost more, as with the ACA. Tricare, Indian Health Services, VA and Federal employee insurance stays the same. Uninsured would lose a graduated portion of the standard tax deduction based on income and would have to pay all their own medical bills. This results in lower penalties than the ACA for those who are uninsured.	**PUBLIC/ PRIVATE OPTION** Public plan replaces non-group insurance market (the ACA exchanges and individual private insurance), CHIPS, and acute care for non-elderly but employers could continue with private health insurance for group coverage. Insurance companies could offer Medicare Advantage type plans in the insurance exchange, but private plans that don't offer coverage similar to ACA requirements are prohibited. Urban Institute estimates that 10.4 million legal residents would remain uninsured along with 8 million undocumented.	**NO** All of the additional adjustments to the current system would make health care even more complicated.	**NO** Some of the cost for health care would transfer from individuals to the government, reducing the burden on individuals. It makes a minor reduction in pharmaceutical prices with Medicaid rebates, but does not have measures to effectively contain pharmaceutical prices.	

Summary

Simplified Comparison of National Health Care Reform Proposals

Type of proposal	Does it cover everyone	Is it simpler	Is it less expensive
Single payer universal health care	Yes	Yes	Yes, substantially less
Multi-payer universal health care	Yes	No	No, costs go up substantially
ACA with a Public Option	No	No	No, costs go up substantially

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ANOTHER OPTION - H.R. 6097 - Jayapal's State-Based Universal Health Care Act

Name of proposal	Description	Universal or public option	Does it reduce complexity?	Does it reduce the cost to all payers combined?	Foundation Position
H.R. 6097 State-Based Universal Health Care Act of 2018	Allows states to develop their own universal health care plans by expanding ACA section 1332 waivers to include the waiver of multiple federal laws that prevent state-based universal care (except Indian Health Services and VA which would remain). Permits ERISA and Medicare waivers, exempts states from complex Treasury Dept. reporting requirements, and allows multiple states to collaborate on a combined multi-state health care plan. Offers benefits and cost-sharing at least as comprehensive as federal programs for which individuals would otherwise be eligible and requires coverage for essential ACA benefits.	Universal Waiver can remove restrictions imposed by the ACA, Medicare, Medicaid, Children's Health Insurance Program (CHIP), federal employee health insurance benefits, TRICARE, and ERISA. Funds otherwise spent on state residents by federal programs shall be "passed through" to the state. This could allow a state to provide universal coverage depending upon design.	Maybe Does not preclude purchase of supplemental insurance. Allows for a single state administrative structure that would simplify the multiplicity of programs. Could possibly lead to multiple states ultimately moving toward a federal plan as in Canada.	Probably By reducing some of the complexity and by allowing states to simplify the whole payment structure this could result in cost savings.	Support Without movement on the federal level, state based plans may show the way forward for the nation.