Medicare-for-All and Public Plan Option Proposals

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Alliance for Health Policy
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Exhibit 1
Sources of health coverage in U.S.

Total Population = 317 million, 2017

SOURCE: Kaiser Family Foundation, "Health Insurance Coverage of the Total Population" 2017
More than half of the uninsured are eligible for financial assistance under the Affordable Care Act (ACA)

Exhibit 2

More than half of the uninsured are eligible for financial assistance under the Affordable Care Act (ACA)

Exhibit 3

Medicare-for-all and public plan proposals address various goals

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Medicare-for-all and public plan proposals address various goals

Proposals can also involve trade-offs

- Disrupt current coverage
- Revenue changes for hospitals and doctors
- Revenue and job loss in private insurance industry
- Changing role of federal government, state government
- Federal tax increases

Exhibit 4

There are four general approaches involving public plans
(Not counting bills to improve the ACA without a public plan)

<table>
<thead>
<tr>
<th>Medicare-for-All</th>
<th>Federal Public Plan Option</th>
<th>Medicare Buy-In</th>
<th>Medicaid Buy-In</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>116th Congress (2019-2020)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medicare for All Act of 2019</td>
<td>Keeping Health Insurance Affordable Act of 2019</td>
<td>The Medicare at 50 Act</td>
<td>State Public Option Act</td>
</tr>
<tr>
<td>Medicare for All Act of 2019</td>
<td>Medicare-X Choice Act</td>
<td>Medicare Buy-In Act of 2019</td>
<td></td>
</tr>
<tr>
<td>The Choice Act</td>
<td>Rep. Shakowsky/Sen. Whitehouse</td>
<td>Stay tuned for more...</td>
<td></td>
</tr>
</tbody>
</table>

| **115th Congress (2017-2018)** | | | |
| Medicare for All Act of 2017 | The Choice Act | The Medicare at 55 Act | State Public Option Act |
| Expanded and Improved Medicare for All Act | Medicare-X Choice Act | Medicare Buy-In and Health Care Stabilization Act of 2017 | |
| Medicare for America Act of 2018 | | | |
| Rep. DeLauro/Schakowsky | | | |

Exhibit 6

Key Provisions: **Medicare-for-All proposals**

- Universal coverage, cradle to grave
- Private insurance replaced by single federal coverage program
- Most other public coverage replaced
- Comprehensive benefits, including LTSS, scope varies
- No premiums or cost-sharing, with limited exceptions
- All licensed hospitals, doctors, facilities participate, with exceptions
- National system for provider payments, level to be determined
- Global budget for national health expenditures, level to be determined
- Substantial new federal tax financing to be determined
- Substantial offsets for states, employers, families

Exhibit 7

Key Provisions: **Public plan option/Medicare buy-in option**

- “Option” is key
- Role of public plan ranges from narrow to expansive
  - Marketplace only? Older Marketplace participants only?
  - Immigrants? Employers/employees?
- Apply current Marketplace subsidies or expand?
- Is public plan similar to Medicare? Or to QHPs? Or both?
  - Rely on Medicare providers and payments, with exceptions
  - Covered benefits: Medicare A, B, and D? Essential health benefits or more?
  - Public plan premium follows ACA rating rules, with exceptions
  - Differences will impact who enrolls; adverse selection
- Leave current Medicare unchanged or not
  - Add OOP limit on cost sharing
  - Secretary negotiate Rx drug prices
Exhibit 8
Key Provisions: Medicaid Buy-in bills

- State option to establish public plan in Marketplace using Medicaid buy-in
- Essential health benefits covered, states can add others
- States can set premiums and cost sharing
  - Premiums can’t exceed 9.5% of income
  - Cost sharing can’t exceed ACA OOP limit
- State Medicaid participating providers and payment rates apply
  - Medicare rates required for primary care services
- ACA Marketplace subsidies apply to buy-in plan
- Medicaid buy-in plan losses jointly financed by federal government
- States exploring Medicaid buy-in option in advance of federal legislation

Exhibit 9
Public’s attitudes on proposals to broaden role of public programs to expand health insurance coverage:

- Strongly or somewhat favor
- Somewhat or strongly oppose

Allowing people between the ages of 50 and 64 to buy health insurance through Medicare
- 77%
- 18%

Allowing people who don’t get health insurance at work to buy health insurance through their state Medicaid program instead of purchasing a private plan
- 75%
- 18%

Creating a national government administered health plan similar to Medicare open to anyone, but would allow people to keep the coverage they have
- 74%
- 24%

Having a national health plan, sometimes called Medicare-for-all, in which all Americans would get their insurance from a single government plan
- 56%
- 42%

Exhibit 10
Two-Thirds Say Lowering Drug Costs And Continuing ACA's Pre-Existing Conditions Protections Should Be Top Priorities

Should each of the following be a top priority, important but not a top priority, not too important, or should it not be done?

- Top priority
- Important but not a top priority
- Not too important
- Should not be done

**SOURCE:** KFF Health Tracking Poll (conducted April 11-16, 2019). See topline for full question wording and response options.

Exhibit 11
Other things to watch

- Bills and consensus on them are evolving
  - Details added, changed from 115th Congress
  - Substantial overlap among cosponsors

- Some proposals include new public plan options in Medicare
  - Public Medigap option
  - Public Part D plan option

- How will voter views on health care evolve?
Resources on KFF.org

- Compare Medicare-for-All and Public Plan Proposals
- Medicare-for-All and Public Plan Buy-In Proposals: Overview and Key Issues
- Public Opinion on Single-Payer, National Health Plans, and Expanding Access to Medicare Coverage

Thank you.
Exhibit 14

Reasons For Opinions On National Health Plan Echo Partisan Messages

Among the 39% who oppose: What is the main reason you oppose such a plan?

- Don’t want government involved: 23%
- Too expensive to implement: 14%
- Limits choice/competition: 14%

Among the 56% who favor: What is the main reason you favor such a plan?

- Universal coverage: 34%
- Health care is a right: 7%
- Make health care more affordable/costs too high: 17%

Don’t want government involved

DK/Ref.

Oppose

Favor

Exhibit 15

Public’s views of Medicare-for-All shift significantly after hearing information

Do you favor or oppose having a national health plan, sometimes called Medicare-for-all?

Favor: 56%

Oppose: 42%

Net favorability: +14

Would you favor or oppose a national Medicare-for-all plan if you heard that it would do the following?

- Guarantee health insurance as a right for all Americans: +45
- Eliminate all health insurance premiums and reduce out-of-pocket health care costs for most Americans: +37
- Eliminate private health insurance companies: -21
- Require most Americans to pay more in taxes: -23
- Threaten the current Medicare program: -28
- Lead to delays in people getting some medical tests and treatments: -44
Most (55%) think they and their family would be able to keep their health insurance under Medicare-for-all plan.

**Exhibit 16**

- Yes, think they and their family would be able to keep their current health insurance
- No, think they and their family would not be able to keep their current health insurance

**Total**
- 55% Yes
- 35% No

**Among those who favor having a national health insurance plan or Medicare-for-all**
- 67% Yes
- 24% No

**Among those who oppose having a national health insurance plan or Medicare-for-all**
- 41% Yes
- 51% No

**Source:** KFF Health Tracking Poll (January 9-14, 2019). See topline for full question wording and response options.

**Exhibit 17**

Public’s views about health care affordability.
Public's Struggles with Health Care Over Time

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>...put off care due to cost</td>
<td>30%</td>
<td>23%</td>
<td>26%</td>
<td>28%*</td>
<td>23%†</td>
<td>29%a</td>
</tr>
<tr>
<td>...are very or somewhat worried about affording needed care (NET)</td>
<td>58%</td>
<td>52%</td>
<td>48%</td>
<td>60%‡</td>
<td>56%</td>
<td>51b</td>
</tr>
<tr>
<td>...are &quot;very worried&quot; about affording needed care</td>
<td>29%</td>
<td>20%</td>
<td>25%</td>
<td>33%§</td>
<td>28%b</td>
<td>25b</td>
</tr>
</tbody>
</table>

†NOTE: For problems paying health care, the question wording for 2010 through 2013 was, “In the past 12 months, did you or another family member in your household have any problems paying medical bills, or not?” In 2015 and 2017, question wording was, “In the past 12 months, did you or anyone in your household have problems paying or an inability to pay any medical bills, such as bills for doctors, dentists, medication, or home care?”
‡Putting off care due to cost includes those who say yes to doing at least one of the following due to costs: skipping dental care or checkups, relying on home remedies or over-the-counter drugs instead of going to see a doctor, putting off or postponing getting health care they needed, skipping a recommended medical test or treatment, not filling a prescription for a medicine, cutting pills in half or skipping doses, or having problems getting mental health care.

More Insured Americans Now Report Difficulty Affording Health Care

AMONG THE INSURED: In general, how easy or difficult is it for you to afford to pay...

- the deductible you pay for care before insurance kicks in
- copays for doctor visits and prescription drugs
- the cost of health insurance each month

<table>
<thead>
<tr>
<th>Easy</th>
<th>Difficult</th>
</tr>
</thead>
<tbody>
<tr>
<td>63%</td>
<td>58%</td>
</tr>
<tr>
<td>69%</td>
<td>64%</td>
</tr>
<tr>
<td>57%</td>
<td>50%</td>
</tr>
<tr>
<td>34%</td>
<td>43%</td>
</tr>
<tr>
<td>27%</td>
<td>37%</td>
</tr>
</tbody>
</table>

NOTE: Don't have to pay (Vol.) and Don’t know/Refused responses not shown. SOURCE: Kaiser Family Foundation Health Tracking Polls
Since 2008, General Annual Deductibles for Covered Workers Have Increased Eight Times as Fast as Wages

NOTE: Average general annual deductibles are among all covered workers. Workers in plans without a general annual deductible for in-network services are assigned a value of zero.

SOURCE: KFF and KFF/HRET Employer Health Benefits Surveys. Consumer Price Index, U.S. City Average of Annual Inflation (April to April); Seasonally Adjusted Data from the Current Employment Statistics Survey (April to April).

Large Majority Are Worried About Being Able To Afford Surprise Medical Bills For Them And Their Family

How worried, if at all, are you about being able to afford each of the following for you and your family?

- Very worried
- Somewhat worried
- Not too worried
- Not at all worried

<table>
<thead>
<tr>
<th>Category</th>
<th>Very worried</th>
<th>Somewhat worried</th>
<th>Not too worried</th>
<th>Not at all worried</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unexpected medical bills</td>
<td>38%</td>
<td>29%</td>
<td>16%</td>
<td>16%</td>
</tr>
<tr>
<td>Your health insurance deductible*</td>
<td>24%</td>
<td>29%</td>
<td>20%</td>
<td>25%</td>
</tr>
<tr>
<td>Gasoline or other transportation costs</td>
<td>20%</td>
<td>26%</td>
<td>25%</td>
<td>28%</td>
</tr>
<tr>
<td>Your prescription drug costs</td>
<td>22%</td>
<td>23%</td>
<td>23%</td>
<td>31%</td>
</tr>
<tr>
<td>Your monthly utilities like electricity or heat</td>
<td>19%</td>
<td>24%</td>
<td>27%</td>
<td>30%</td>
</tr>
<tr>
<td>Your monthly health insurance premium*</td>
<td>18%</td>
<td>24%</td>
<td>25%</td>
<td>32%</td>
</tr>
<tr>
<td>Your rent or mortgage</td>
<td>22%</td>
<td>19%</td>
<td>21%</td>
<td>35%</td>
</tr>
<tr>
<td>Food</td>
<td>17%</td>
<td>20%</td>
<td>25%</td>
<td>38%</td>
</tr>
</tbody>
</table>

NOTE: *Among insured. “Not applicable (Vol.),” and Don’t know/Refused responses not shown. Question wording modified. See topline for full question wording.

SOURCE: KFF Health Tracking Poll (conducted August 23-28, 2018)
At Least Three-Fourths Say The Government Should Take Action To Protect Patients From Surprise Medical Bills

Percent who say the federal government should take action to protect patients from having to pay the cost not covered by their insurance for care received in each of the following situations:

- **Having a medical emergency and are taken to a hospital that is not in their health plan's network**: 78%
- **Having a medical emergency and are taken to an emergency room by an ambulance that is not in their health plan's network**: 78%
- **Plan to receive care at a hospital that is in their health plan's network but are treated by a doctor who is not**: 76%

SOURCE: KFF Health Tracking Poll (conducted April 11-16, 2019). See topline for full question wording and response options.

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Current Medicare vs public plan proposals
Why invoke “Medicare?” It’s popular!

In general, do you have a favorable or an unfavorable opinion of Medicare?

<table>
<thead>
<tr>
<th>Total favorability</th>
<th>Very favorable</th>
<th>Somewhat favorable</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>43%</td>
<td>37%</td>
<td>10%</td>
</tr>
<tr>
<td>Total</td>
<td>80%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

By Political Party ID

<table>
<thead>
<tr>
<th>Total favorability</th>
<th>Very favorable</th>
<th>Somewhat favorable</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democrats</td>
<td>51%</td>
<td>33%</td>
<td>7%</td>
</tr>
<tr>
<td></td>
<td>84%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Independents</td>
<td>43%</td>
<td>40%</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td>83%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Republicans</td>
<td>32%</td>
<td>42%</td>
<td>16%</td>
</tr>
<tr>
<td></td>
<td>74%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted November 8-13, 2017)

**Exhibit 25**

**Similarities**

**Public Plans and Current Medicare Program**

- Administered by the Secretary of HHS
- Defined set of benefits
- Medicare providers (broad network)
- Nationally-established provider payment rates
- Balance billing protections (no surprise medical bills)
**Exhibit 26**

**Potential Differences**

**Public Plans and Current Medicare Program**

- Eligibility
- Enrollment
- Premiums
- Financing
- Benefits
- Cost sharing
- Low-Income Subsidies
- Role of Private Insurance Plans
- Provider Payment Rates
- Global Budgets

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**Exhibit 27**

**Potential Impact on Current Medicare Program?**

- None would simply lower the Medicare eligibility age
- Public plan & Medicare buy-in bills create a separate, parallel public plan, aim to have no direct impact on current program (premiums, Trust Fund)
- Some proposals include specific changes to current Medicare program
  - Require Secretary to negotiate drug prices, and other Rx provisions
  - Establish new out-of-pocket limit for Medicare Parts A and B
  - Add public Medigap option to supplement traditional Medicare
  - Add public Part D prescription drug plan option to Medicare
- Medicare-for-all proposals would replace current Medicare program
  - Medicare-for-All would provide substantially richer benefit package, with no premiums or cost sharing for people 65+ and younger adults with disabilities