



**TO:** Interested Parties

**FROM:** Lauren Crawford Shaver, Partnership for America's Health Care Future

**RE:** What patients, families and taxpayers could expect under Medicare for all

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## Overview

When the House Committee on the Budget holds a hearing this Wednesday on a one-size-fits-all government-run health care system known as Medicare for all, Congress and the American people will hear testimony from experts at the non-partisan Congressional Budget Office (CBO), which recently issued a report that warns of what patients, families and taxpayers could expect under this proposed legislation.

## The Bottom Line

**Under Medicare for all, Americans would have *no choice* but to *pay more* to *wait longer* for *lower quality* care.**

For starters, the CBO found that Medicare for all “could cause **substantial uncertainty for all participants**,” and that its implementation “could be **complicated, challenging, and potentially disruptive**.” But that’s only the beginning.

Under Medicare for all, “**patients might face increased wait times and reduced access to care**,” they write, adding that such a system could also “**reduce the quality of care**.”

The CBO also found that Medicare for all’s steep provider payment cuts could cause a **long-term shortage of health care professionals like doctors and nurses** while “[t]he number of hospitals and other health care facilities might also decline as a result of closures, and there might be less investment in new and existing facilities.”

These findings are supported by additional research, including a study prepared by KNG Health Consulting for the American Hospital Association and the Federation of American Hospitals, which found that Medicare for all “**would compound financial stresses [hospitals] are already facing, potentially impacting access to care and provider quality**.” Another recent study found that Medicare for all could force hospitals to limit the care they provide and even “force the closure of essential hospitals.”

And when it comes to costs, the outlook under Medicare for all grows even worse.

While the House Medicare for all bill notably “**doesn’t include a price tag or specific proposals for financing the new system**,” the CBO confirms that Medicare for all “**would significantly increase government spending and require substantial additional government resources**,” which would of course demand unaffordable tax increases on working families.



Independent analysts estimate the cost of Medicare for all could be as high as \$60 trillion over 10 years, and the nonpartisan Committee for a Responsible Federal Budget (CRFB) finds that even a low-end estimate of \$30 trillion over a decade **“would mean increasing federal spending by about 60 percent (excluding interest)”** and **“require the equivalent of tripling payroll taxes or more than doubling all other taxes.”**

**“There’s no possible way to finance [Medicare for all] without big middle class tax increases,”** CRFB’s Marc Goldwein explained to *The Washington Post*. Not surprisingly, national polling by the Kaiser Family Foundation indicates that **six in 10 Americans oppose Medicare for all once they learn it forces families to pay more in taxes.**

Meanwhile, leading up to this week’s hearing in his committee, **Chairman John Yarmuth (D-Ky.) became the latest prominent Democrat to douse Medicare for all with cold water,** telling *The Washington Post*:

*“A lot of people, I think, co-sponsored Pramila’s [Medicare for all] bill for the same reason they co-sponsored H.R. 676; it was the metaphor for Medicare-for-all,”* said Rep. John Yarmuth (D-Ky.), the chairman of the House Budget Committee, referring to the legislation from progressive caucus chair Rep. Pramila Jayapal (D-Wash.). **“Now, people have seen some of the details and said, ‘Okay, we need to look at this.’ There doesn’t seem to be much of a sense of urgency because it’s not going anywhere.”**

Recently, the House Committee on Rules held a hearing on Medicare for all, following which Rep. Donna Shalala (D-Fla.), who serves on the Rules committee, explained that her constituents tell her they want to keep their private coverage, not be pushed into a one-size-fits-all government-run health care system:

**REP. SHALALA:** *“...Out of my own experience and out of what my constituents tell me – they want to keep their private health insurance. They do not necessarily want to go into a government program. For those people who have very good private health insurance, they don’t want to go to a lesser program. Medicare is not as good as many of the private insurance plans we currently have ... But, more importantly, why should we spend money when people have good private health insurance? We need to cover those who don’t have coverage now.”*

And, in yet another reality check for the bill’s prospects, *The Post* also took note of **the “decline in support for the actual Medicare-for-all bill” within the House Democratic Caucus**, reporting: “By the end of the past Congress, the legislative vehicle for Medicare-for-all, H.R. 676, had 124 co-sponsors in the House. The new Congress has 40 more Democrats in the House, but the new version of Medicare-for-all, H. R. 1384, has just 108 co-sponsors.”



As *The Hill* reports, “[c]entrist Democrats who helped their party win back the House majority with victories in key swing districts last fall are sounding the alarm that the liberal push for ‘Medicare for all’ could haunt them as they try to defend their seats and keep control of the House.” But Speaker Nancy Pelosi, Democratic Congressional Campaign Committee (DCCC) Chairwoman Rep. Cheri Bustos, Energy and Commerce Committee Chairman Rep. Frank Pallone and other key House Democrats have also weighed in with their concerns about Medicare for all.

This is no surprise: A recent national survey by the Kaiser Family Foundation finds that a **majority of Americans want elected leaders to focus on “targeted actions” to improve and build upon what is working in American health care and fix what isn’t.** Kaiser finds that **most Democrats and Democratic-leaning independents “say they want Democrats in Congress to focus their efforts on improving and protecting the ACA,”** while previous polling conducted this year by Kaiser reveals that **most Americans don’t support Medicare for all once they understand what it would do to them.**

Today, **roughly 90 percent of Americans are covered** and U.S. Census data indicate that **more than 217 million Americans benefit from private coverage**, including 180 million who receive coverage through their employers and 10 million who shopped for coverage in the marketplaces last year. More than 20 million American seniors are enrolled in the Medicare Advantage program.

Public opinion research shows that **a majority of Americans are satisfied with their coverage and care.** “Perhaps the greatest political danger for Democrats is that Medicare for all **would disrupt coverage” for every one of these Americans,** *Bloomberg notes.*

But our health care system today is far from perfect, and more can and should be done to help every American access affordable, quality care. To continue making progress towards this goal, our leaders should use the powerful tools already available to help them expand access and control costs, such as:

- Expanding Medicaid in the states that have not yet to do so, which would immediately cover millions of Americans.
- Strengthening federal subsidies so Americans of all income levels can choose market-based coverage that fits their needs.
- Using proven tools like reinsurance to stabilize premiums and control costs for families and patients.

Constructive steps like these will help us improve and build upon what is working today. In contrast, scrapping the foundations of American health care – including employer-provided coverage, the Children’s Health Insurance Program, the Affordable Care Act, Medicaid and Medicare – to start over with a one-size-fits-all government-run system called Medicare for all, would hurt patients, families and taxpayers, and ultimately take us backwards.



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