



The Public Option Could Threaten Access to Care for Rural and Underserved Communities Already Facing Challenges

In a new report, "[The Public Option in the 2020 Economic Environment](#)," the [Partnership for America's Health Care Future](#) and FTI Consulting examined how the U.S. health care system would have responded if the public option were implemented before this current crisis.

The report found the public option would exacerbate stresses on the health care system and leave many Americans worse off, rather than improving access to care and supporting health system capacity.

Some of the report's findings include:

- Today, our nation's hospitals are already strained and projected to lose \$49.6 billion in revenue nationwide due to coverage changes. The public option could increase hospital losses by **60 percent, up to \$79.2 billion.**
- Hospitals serving rural and vulnerable patients could see their revenue losses increase by more than **40 percent from \$14 billion today to \$20 billion under a government-controlled health insurance system.**
- The public option **could reduce access to quality care for tens of millions of Americans,** as over half of all U.S. hospitals could begin operating with negative margins.
- Under the public option, diminished margins **could limit the resources available to expand intensive care units (ICUs), procure supplies, and enhance staffing.**
- States such as California, Texas, Florida, Georgia, and Arizona would experience **significant financial consequences due to the current public health crisis under the public option scenario.**
- Today, lost revenue from private coverage in these five states is estimated to range from \$1.4 billion to nearly \$11.6 billion. **Under the public option, these losses would increase from between \$1.8 billion to \$15.6 billion in revenue — almost 34% — depriving state and local governments the necessary revenue needed to fund public health efforts to contain future outbreaks.**

Every American deserves access to high-quality, affordable health care, but the public option could threaten access to care. Now, more than ever, it is important to build on what's working where private coverage, Medicare, and Medicaid work together — not start over with a one-size-fits-all system. A copy of the full report can be found [here](#), and a link to all of the Partnership's resources can be found [here](#).