

HEALTH CARE REFORM IN 2019 AND 2020

A Statement by the Health Care Reform Forum of Progressive Action for the Common Good

Summary of Points

- These points are the consensus position of the active members of the Health Care Reform Forum, not the official position of Progressive Action for the Common Good (PACGG) or its membership.
- We advocate retaining and building on the foundation of the Affordable Care Act (ACA).
- We support eliminating efforts that have been made to weaken the ACA.
- We support fixing the areas where the ACA has fallen short of its goals.
- “Medicare for All” and “Single Payer” are confusing terms, and they are not necessarily synonymous. We summarize some of the ways in which they can differ.
- Some understanding of health care systems in other countries is helpful in evaluating proposals for health system reform in this country.
- We support the following three next steps to strengthen the ACA:
 1. Adopt a publicly administered insurance plan to be offered on the marketplace.
 2. Require negotiated drug prices in publicly administered plans, including Medicare.
 3. Create a system for transparency in the pricing of provider services as well as of administrative costs in the private sector.
- In any health care reform proposal, address the projected shortfall in the Medicare Hospital Insurance trust fund; this is especially important for advocates of expanding Medicare with some form of “Medicare for All.”
- We believe that health care is a moral issue: its resources are finite, and health system reform entails all of us recognizing not only our rights, but also our responsibilities, individual and collective.



Health Care Reform Forum

Disclaimer for Health Care Reform Forum Statement

August 3, 2019

*The Health Care Reform Forum of PACG does not, and will not, endorse the proposal of any candidate, at either the federal or state level, for health care reform. As we have done since our inception in 2005, we continue to advocate for the basic goal of **access to quality, affordable, sustainable health care for everyone in this country**. Political proposals are the **means** to reach that goal. That distinction having been made, our forum members have, after much discussion, reached our own conclusions about certain key issues in current health care reform discussions. What follows is the consensus position of the active members of the Health Care Reform Forum, not an official position of Progressive Action for the Common Good as an organization or its broader membership.*

PACG Health Care Reform Statement 2019-2020

Our forum has been discussing and advocating for health care reform for nearly 15 years. We supported the Affordable Care Act (ACA) as an important step forward toward the goal of quality, sustainable, accessible, and affordable health care for all Americans. We believe that the best and most doable option, in the current political environment, is to retain and build on the foundation of the ACA, eliminate the efforts to weaken it by the current administration, and fix the areas where it has fallen short of its goals.

Evaluating Health Care Reform Proposals of Congressional and Presidential Candidates in the 2020 Election

“Medicare for all” has become a popular rallying call for health care reform. But the concept has many different variations and definitions.

A “single payer” system is proposed by some candidates. It would create a new health care insurance system run completely by federal government agencies and paid for by the government (i.e., by taxpayers). Everyone in America would be covered. Standards of care and payments to doctors, hospitals, and other providers, as well as drug pricing, would be negotiated and regulated by the government. Private insurance would be eliminated over a brief transition period of 2-3 years. No one has yet come up with a credible, non-partisan estimate of the cost of, or implementation plan for, such a system, or proposed exactly how it would be paid for.

We fully acknowledge the appeal of a “single payer” approach to U.S. health care reform since it would quickly achieve universal coverage. But to call it “Medicare for All” is misleading.

There are many flaws and injustices in the current U.S. “system,” even since the passage of the ACA. Medical debt is still a major cause of personal bankruptcies, even for those with insurance. Insurance and pharmaceutical companies, as well as some providers, make exorbitant profits, the costs of which are borne by customers and taxpayers. Millions of people still lack coverage. The list is long. But a “single payer” plan is not the only option, and we have tried to give fair consideration to all proposals to improve the American health care system.

At least six other proposals have been made by legislators or candidates for president. They all build on the basic foundation of the Affordable Care Act, and the existing programs of Medicare and Medicaid. They would not eliminate private insurance companies. Three proposals would create a new public option plan, based on Medicare, which would be offered to individuals and some (or all) employers through the ACA marketplace. It would compete with the existing private insurance plans on the marketplace. (A public option plan was to have been included in the ACA, but was dropped due to resistance from insurance companies.)

Two other proposals would allow some people to buy into the current Medicare or Medicaid plans. All of these plans would expand insurance coverage for many more families, but not everyone. Government subsidies would continue to help make insurance affordable for low income families.

It is unclear whether a single payer plan is practical and doable at the present time. To rapidly eliminate all private insurance and build a new system, even though it would be based on Medicare, could lead to unimaginable chaos. One simple question it raises: how many insurance jobs would be lost? Also, how would eliminating that sector of the economy affect the overall U.S. economy? We have not seen any reliable estimates of such data. Additionally, many patients and their families would lose their current good employer or union insurance. Also, there needs to be a credible estimate of the costs and revenues needed to make it work before such a comprehensive program is adopted. The respected Congressional Budget Office has yet to venture a cost estimate, but other experts predict it will be very expensive. If so, a single payer plan is likely to be opposed by many Democrats as well as by Republicans.

We believe that the ACA has accomplished important improvements in our health care system, and note that public support has grown steadily since it was adopted. Even those who want to repeal it have so far been unable to do so, and they have resorted to tactics to sabotage and weaken it. Yet it is still supported by half (50%) of American adults, with a considerably smaller portion (38%) opposed ([Kaiser Family Foundation Health Tracking Poll](#), April 2019)¹. We think the best way forward is to build on the foundation of the ACA, fix its flaws, and improve its coverage of more and more families.

We also think that the term “Medicare for All” is misleading when equated with a single payer system. At present, Medicare is available for most people over age 65. But almost everyone pays a modest premium for hospital, doctor, and drug coverage. Also, patients covered by Medicare often pay

¹ [Kaiser Family Foundation Health Tracking Poll](http://www.kff.org/interactive/kff-health-tracking-poll-the-publics-views-on-the-aca/#?response=Favorable--Unfavorable&aRange=twoYear), April 2019: www.kff.org/interactive/kff-health-tracking-poll-the-publics-views-on-the-aca/#?response=Favorable--Unfavorable&aRange=twoYear

deductibles and co-payments when they use the coverage. The government sets standards of care and payment to the providers, who are often chosen by the patients. Medicare is forbidden to negotiate drug prices. Many people choose to supplement their Medicare coverage with private insurance or to purchase private Medicare Advantage plans. Many of the aspects of Medicare listed in this paragraph are not included in single payer proposals, and thus using “single payer” and “Medicare for All” as synonyms is misleading and can be confusing.

Most developed countries have health insurance programs that cover everyone, with a large portion of that cost paid through taxation. We acknowledge that there are some similarities between systems elsewhere and the current U.S. Medicare system for most Americans over 65. But as Americans evaluate the various health care reforms being proposed, we believe it is important for them to know, for example, that systems in other countries also have various forms of complementary private health insurance, similar in some ways to the current Medicare supplement and Medicare Advantage private plans. Evaluating proposals for U.S. health care system reform entails a certain amount of knowledge about such facts.

Looking Ahead

We believe that the next step for reform should be the adoption of a publicly administered insurance plan to be offered on the ACA marketplace. This would retain employer and union insurance and still bring real competition to the insurance market. A second reform should be negotiated drug prices in publicly administered plans, including Medicare. A third reform should be the creation of a system for transparency in the pricing of provider services as well as of administrative costs in the private sector. Besides directly benefitting consumers of health care resources, such transparency is essential for cost control: there are too many hidden costs and loopholes that do little to improve the quality of care but that contribute significantly to making our health care twice as expensive as it is in other developed countries.

One health care coverage issue that must be addressed in any reform proposal is the projection by the Medicare trustees that the Medicare Hospital Insurance trust fund (although not all of Medicare) will begin to run a shortfall in 2026. A stable Medicare program is vital to all current and future seniors, yet too often discussions of health care reform ignore this looming instability in the program. All health care reform proposals must address this situation, but doing so is especially critical for advocates of expanding that very program, i.e., “Medicare for All.”

We believe that health care is a moral issue. Every human being deserves care when an accident or disease strikes; moreover, broad preventative health care measures underscore the positive value of mutual support within the human community. But health care resources are also finite, and we need to set some personal and societal limits on our health care expectations. Setting those limits will entail some hard moral choices, but we can't all have it all. Health resources need to be shared among all members of our national community -- and the costs need to be shared by that community. Insurance, carried by all, is one means of cost sharing, and government subsidies for insurance premiums for lower income families are essential to enable all to be insured. We each have a responsibility to care for our



Health Care Reform Forum

own health, a right to receive care when we need it, and a responsibility to help care for others in their time of need.

Finally, we need to be prepared for a worst-case scenario: if the courts rule the entire Affordable Care Act unconstitutional, we and all those who support the ACA will need to take action. People's lives will depend on it.

**Good health care for everyone--
It's something we all want, but how do we get there?**