Charles Gaba

healthcare policy data, analysis & snark

ACASignups.net

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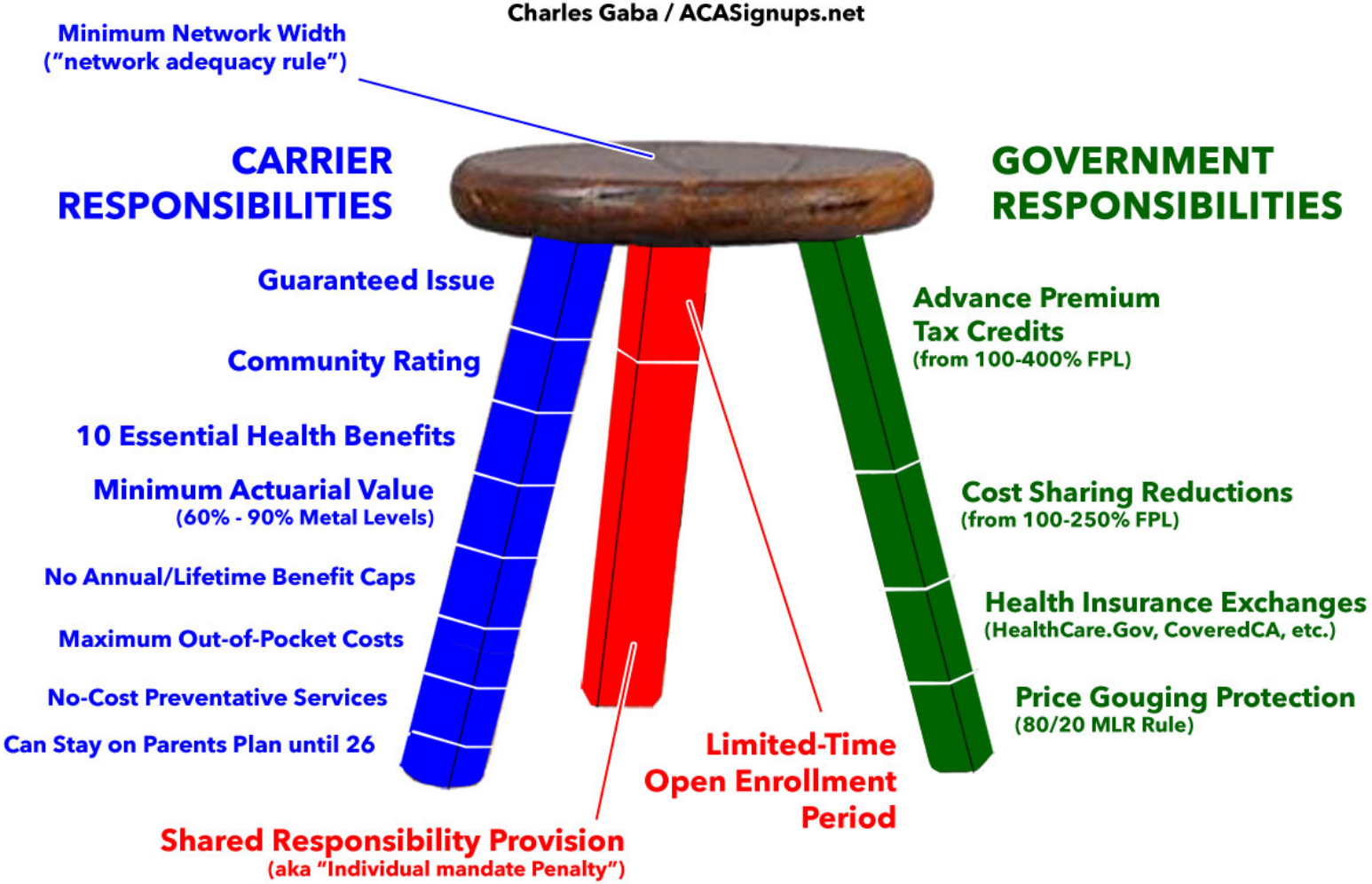
THE AFFORDABLE CARE ACT'S THREE-LEGGED STOOL

(ORIGINAL, IDEALIZED VERSION)

Charles Gaba / ACASignups.net



ENROLLEE RESPONSIBILITIES

THE AFFORDABLE CARE ACT'S THREE-LEGGED STOOL

(Trump Cuts Off CSR Reimbursement Payments, Sept. 2017)

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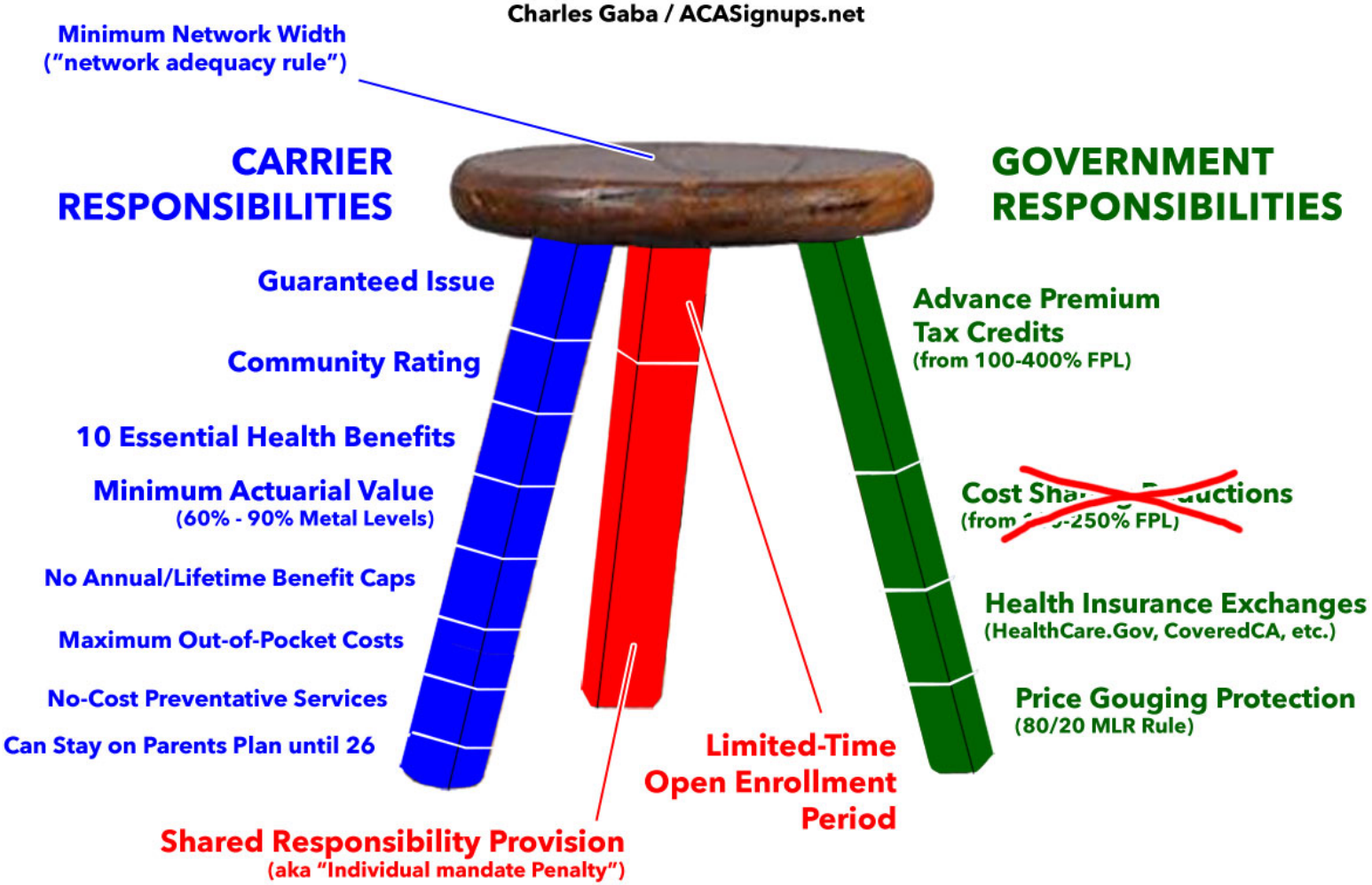

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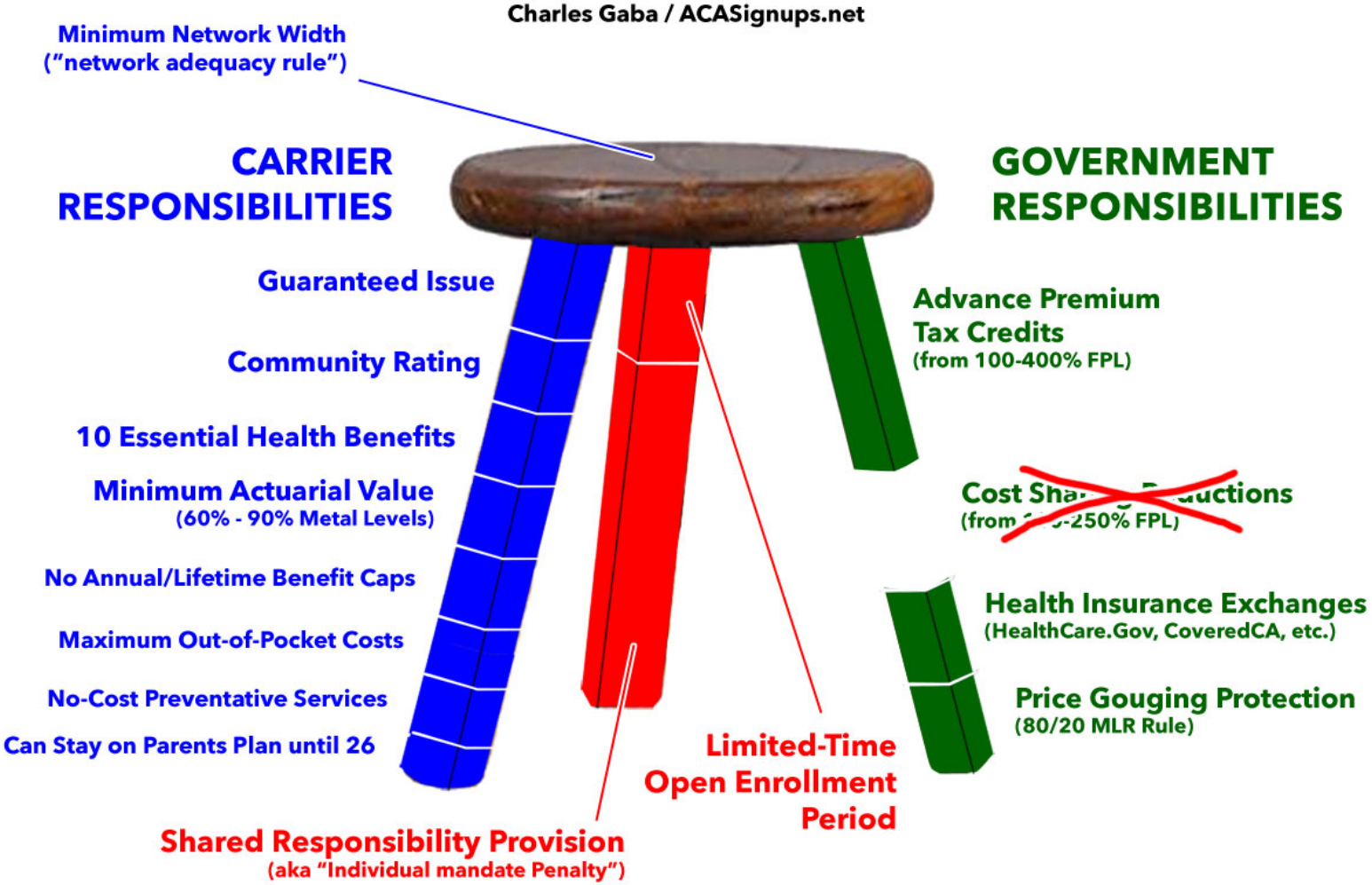

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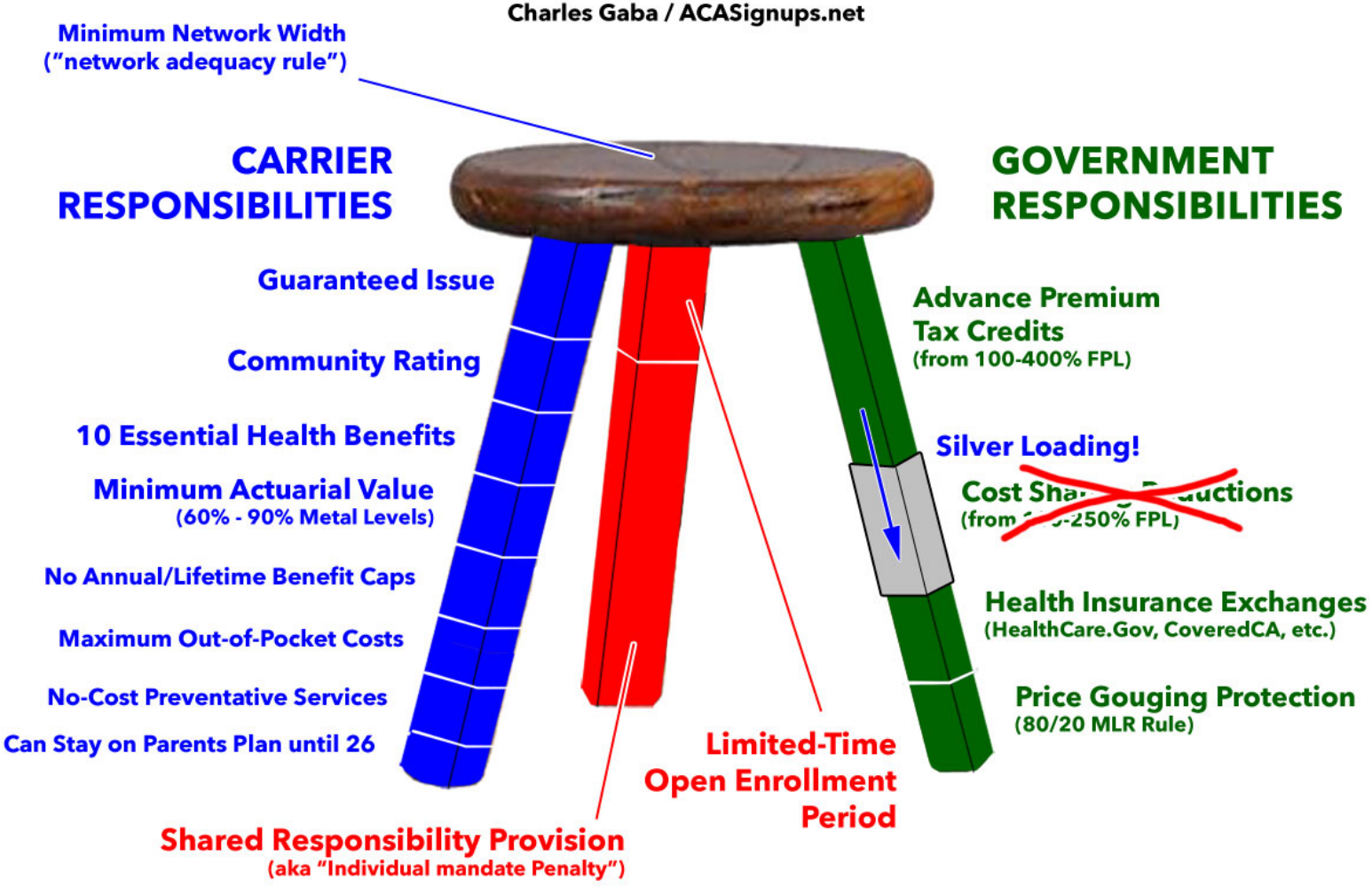

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(GOP & Trump "Repeal" Individual Mandate Penalty, Dec. 2017) (effective Jan. 2019)

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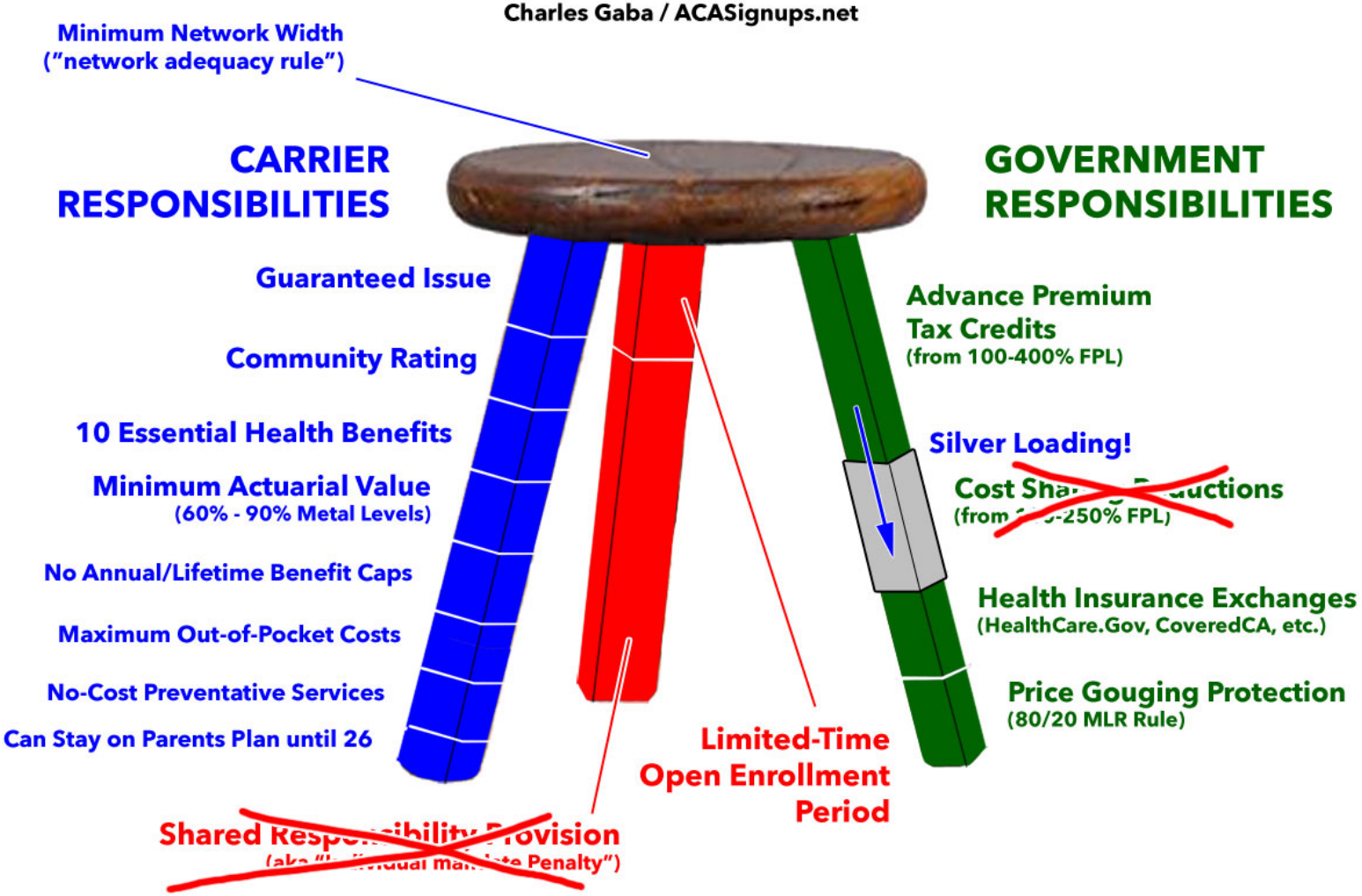

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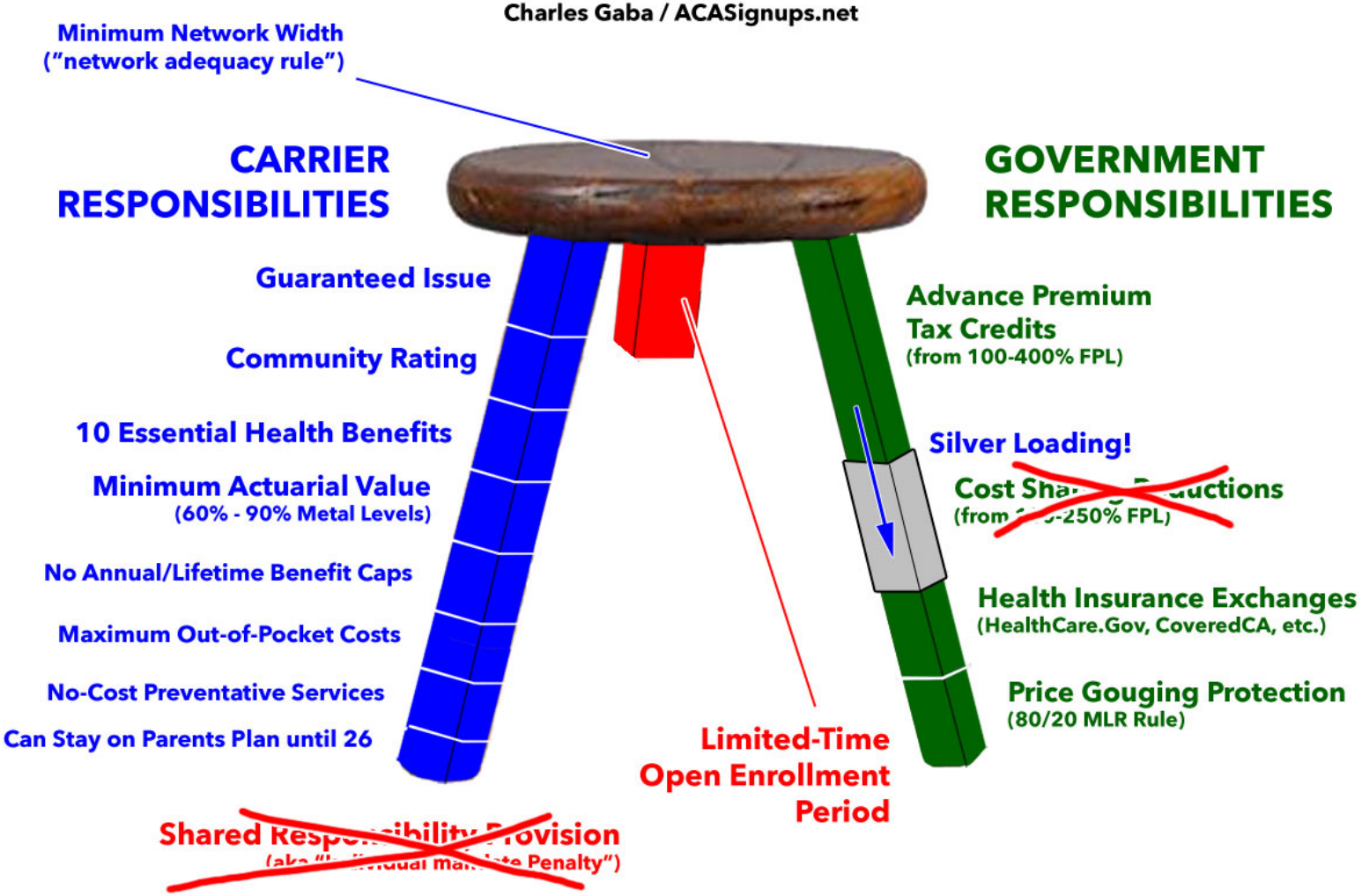

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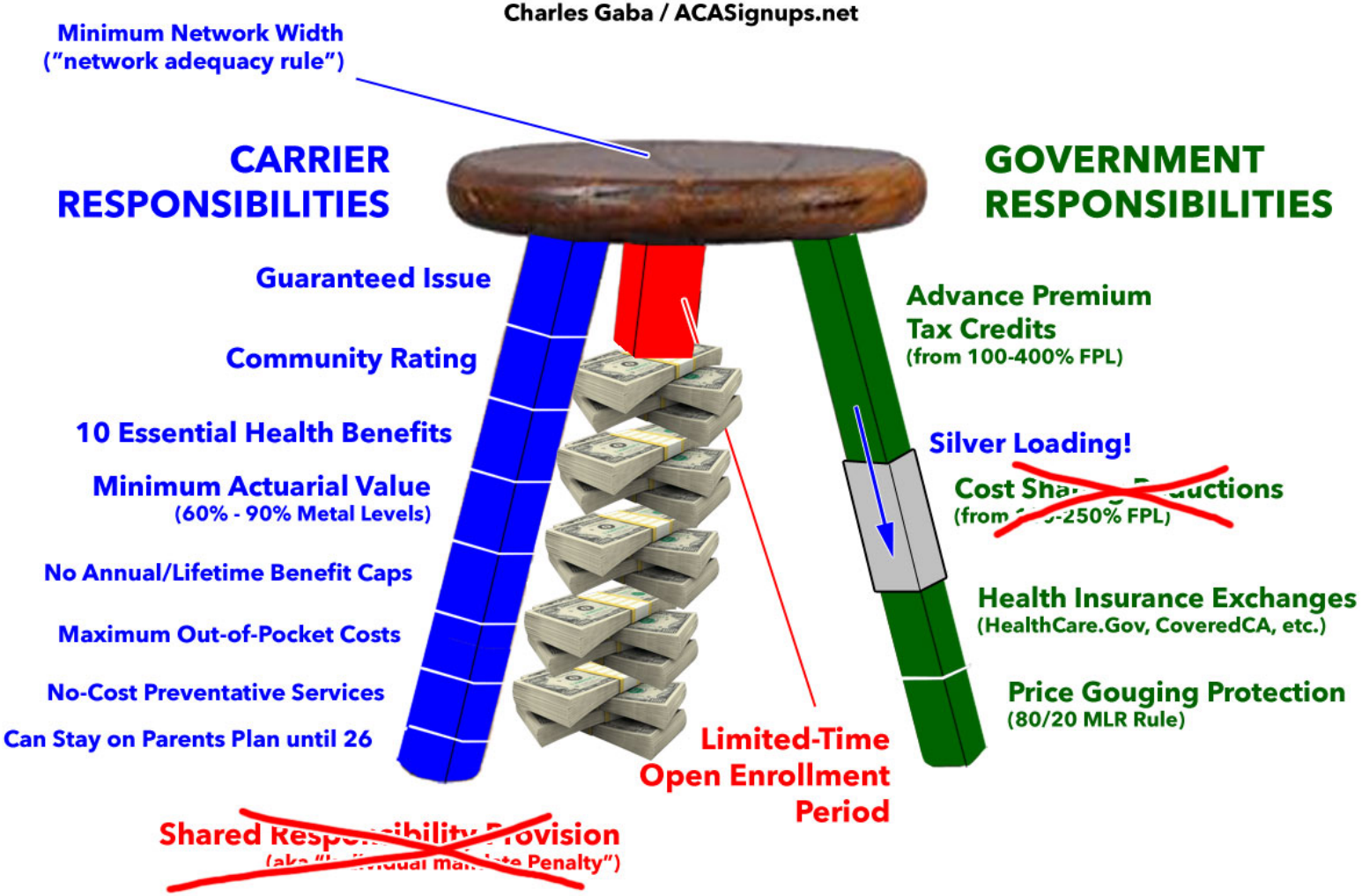

THE AFFORDABLE CARE ACT'S THREE-LEGGED STOOL

(Additional Ongoing Sabotage Efforts)

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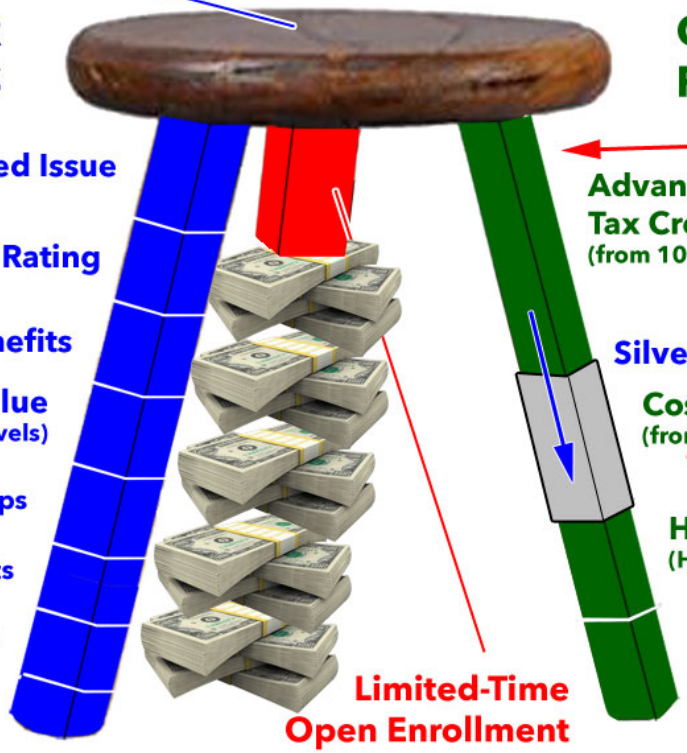

Minimum Network Width ("network adequacy rule")

CARRIER RESPONSIBILITIES

- Guaranteed Issue
- Community Rating
- 10 Essential Health Benefits
- Minimum Actuarial Value (60% - 90% Metal Levels)
- No Annual/Lifetime Benefit Caps
- Maximum Out-of-Pocket Costs
- No-Cost Preventative Services
- Can Stay on Parents Plan until 26

~~Shared Responsibility Provision (aka "Individual Mandate Penalty")~~

$580/ea x ~9M = ~$5.2 Billion/yr
"world's most expensive shim"

GOVERNMENT RESPONSIBILITIES

- Advance Premium Tax Credits (from 100-400% FPL)
  - Trump Admin trying to weaken FPL formula, which would lower subsidy thresholds, thus reducing ACA subsidies
- Silver Loading!
- ~~Cost Sharing Reductions (from 100-250% FPL)~~
- Health Insurance Exchanges (HealthCare.Gov, CoveredCA, etc.)
- Price Gouging Protection (80/20 MLR Rule)
- Limited-Time Open Enrollment Period

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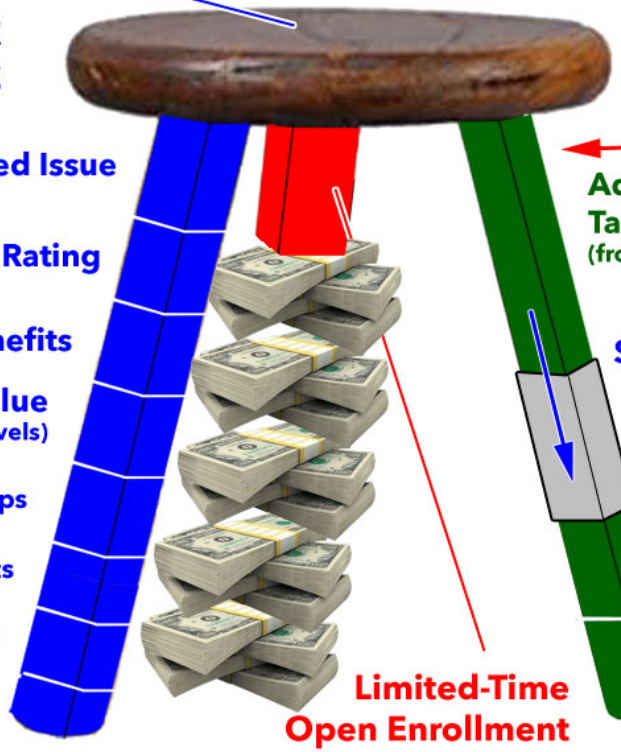

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Trump Admin mutated 1332 waiver rule, which would let states weaken EHBs, AVs, & allow subsidies to go to junk plans

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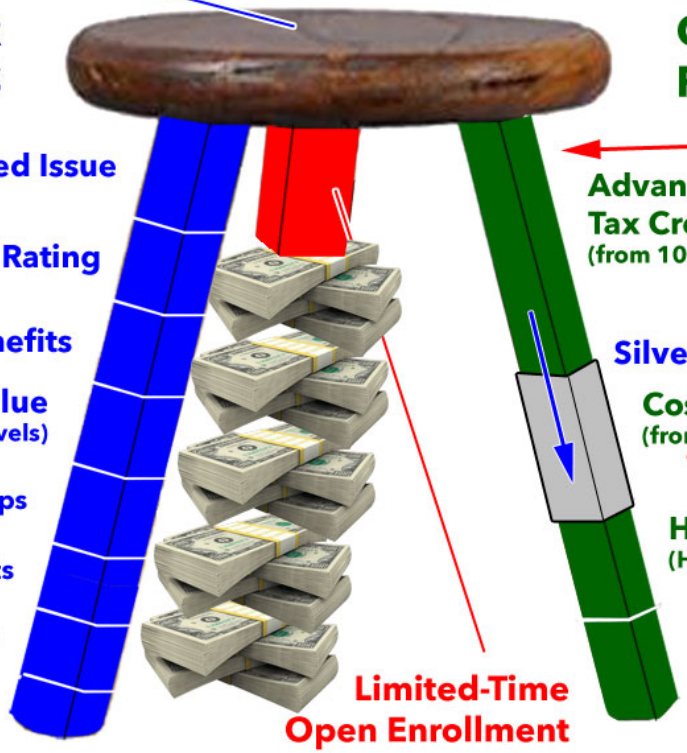

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Trump Admin allowing expanded HRAs to allow ACA subsidies to be used for junk plans

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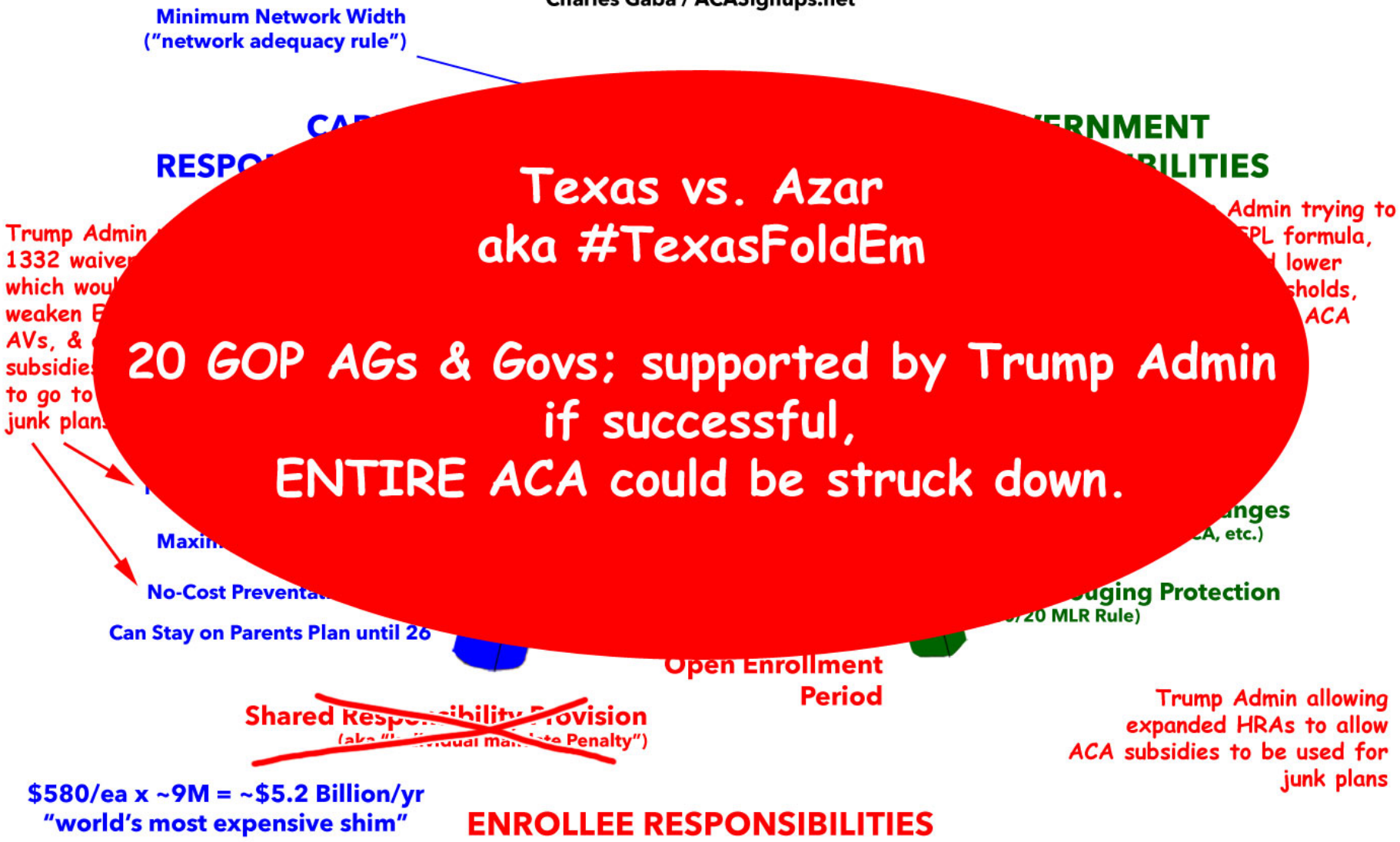

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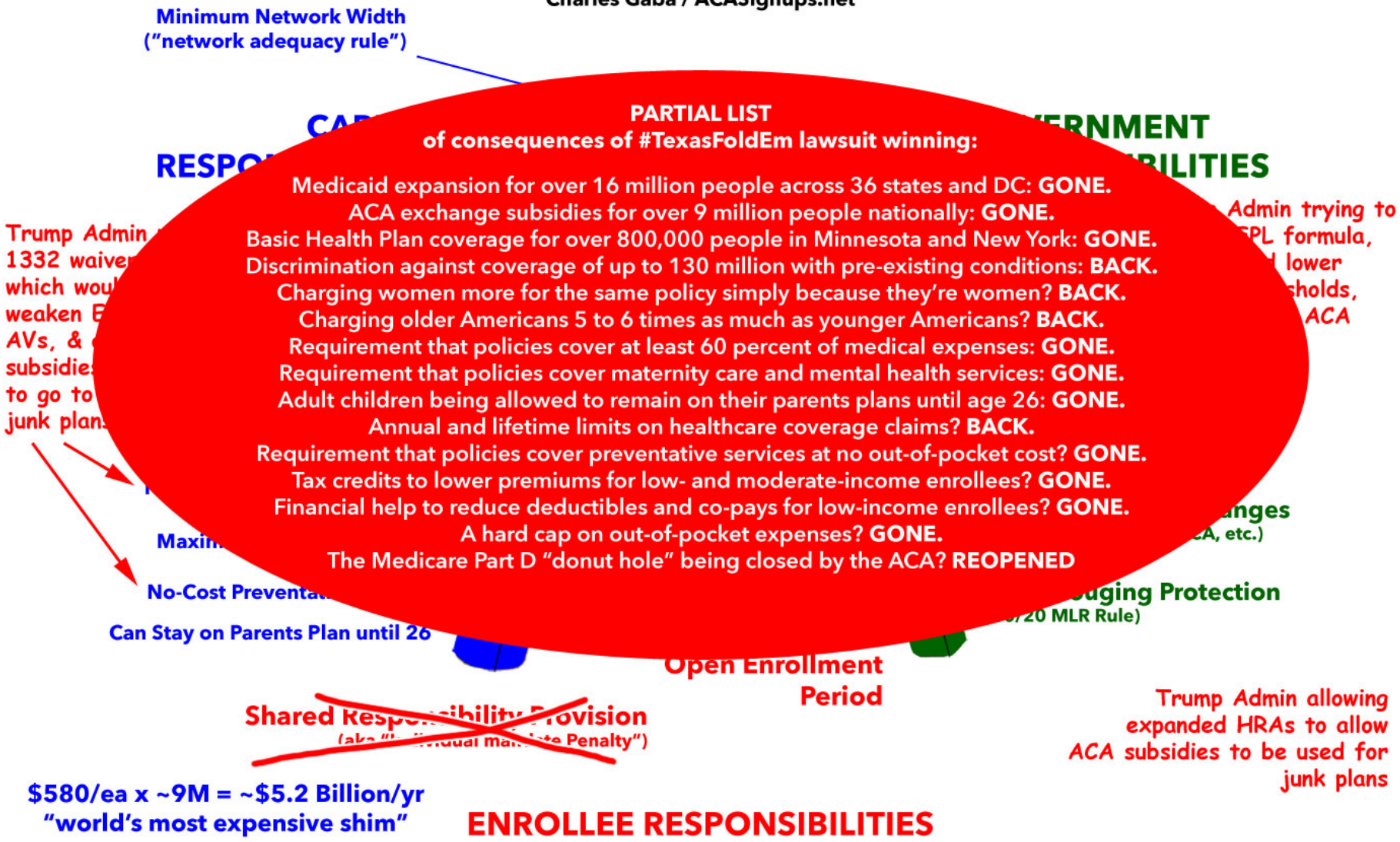

THE AFFORDABLE CARE ACT'S THREE-LEGGED STOOL

(WHAT CAN STATES DO?)

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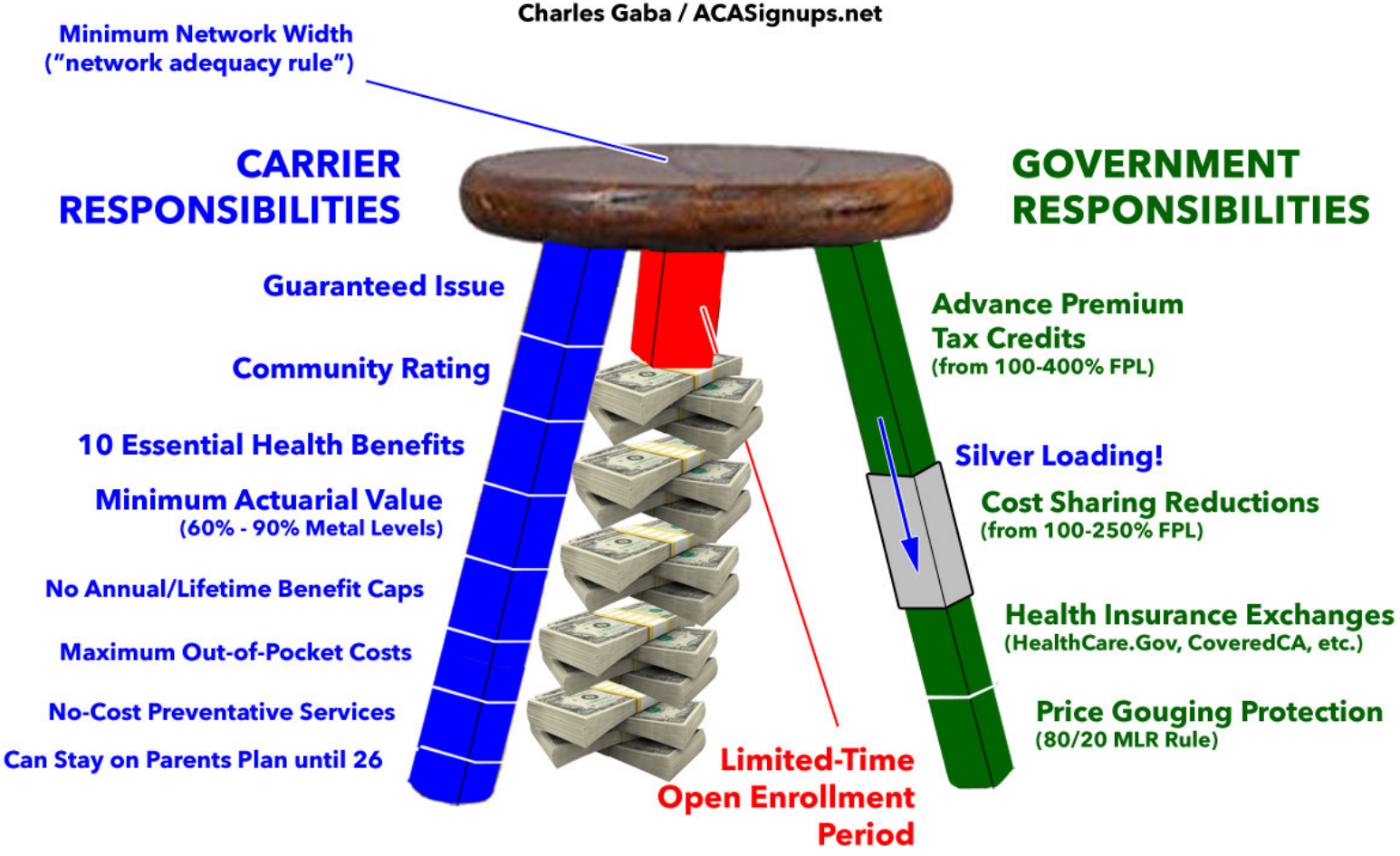

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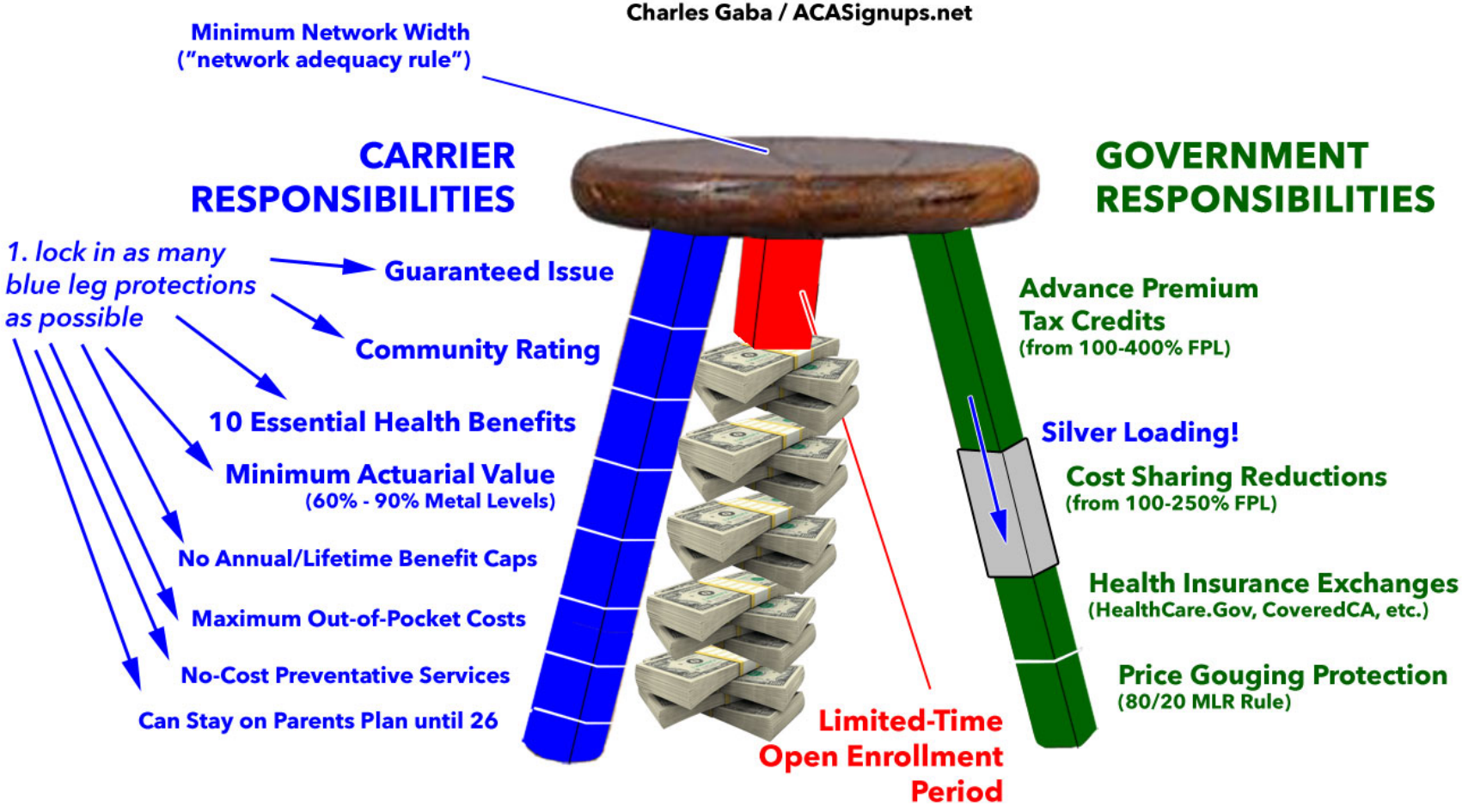

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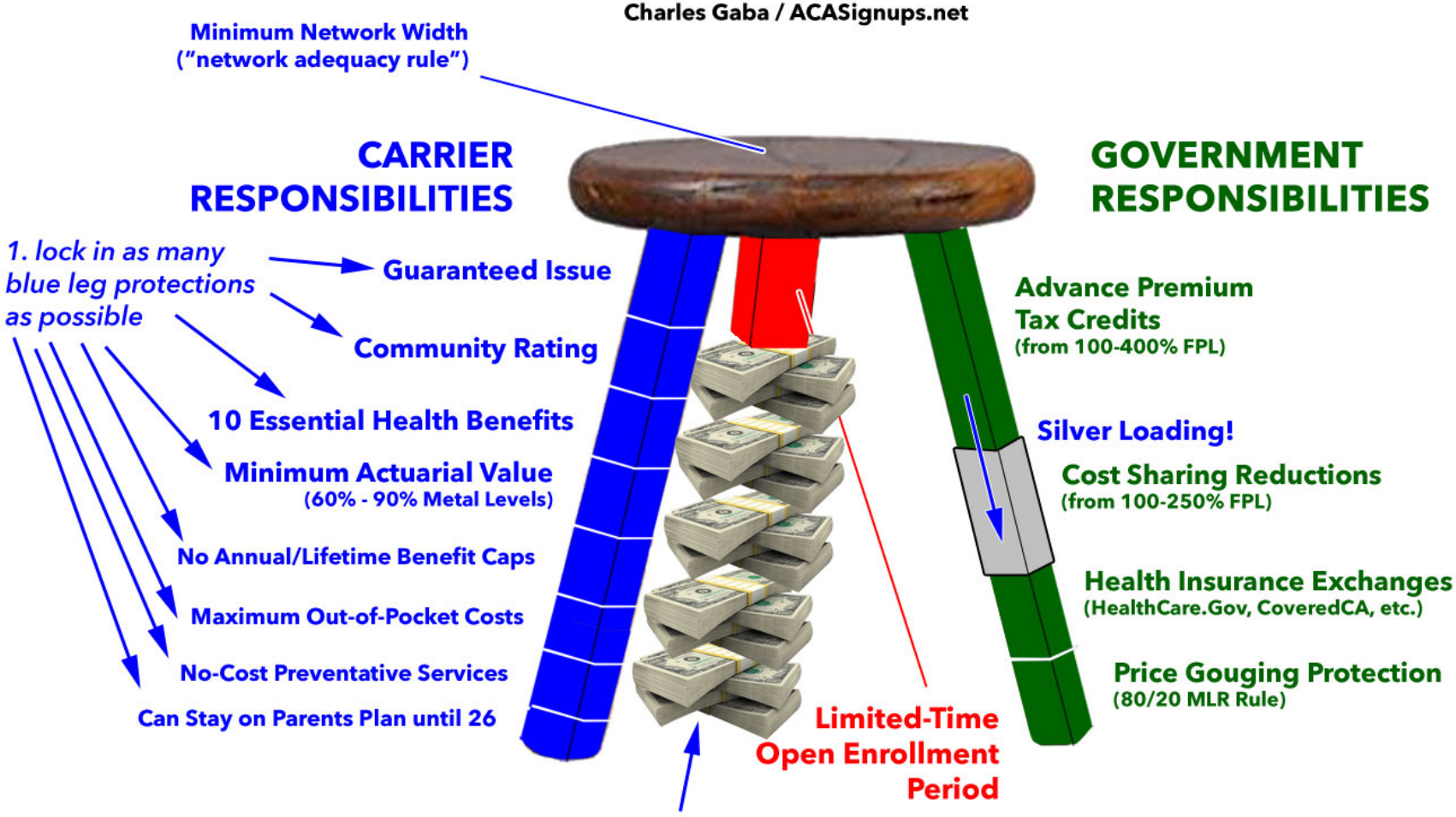

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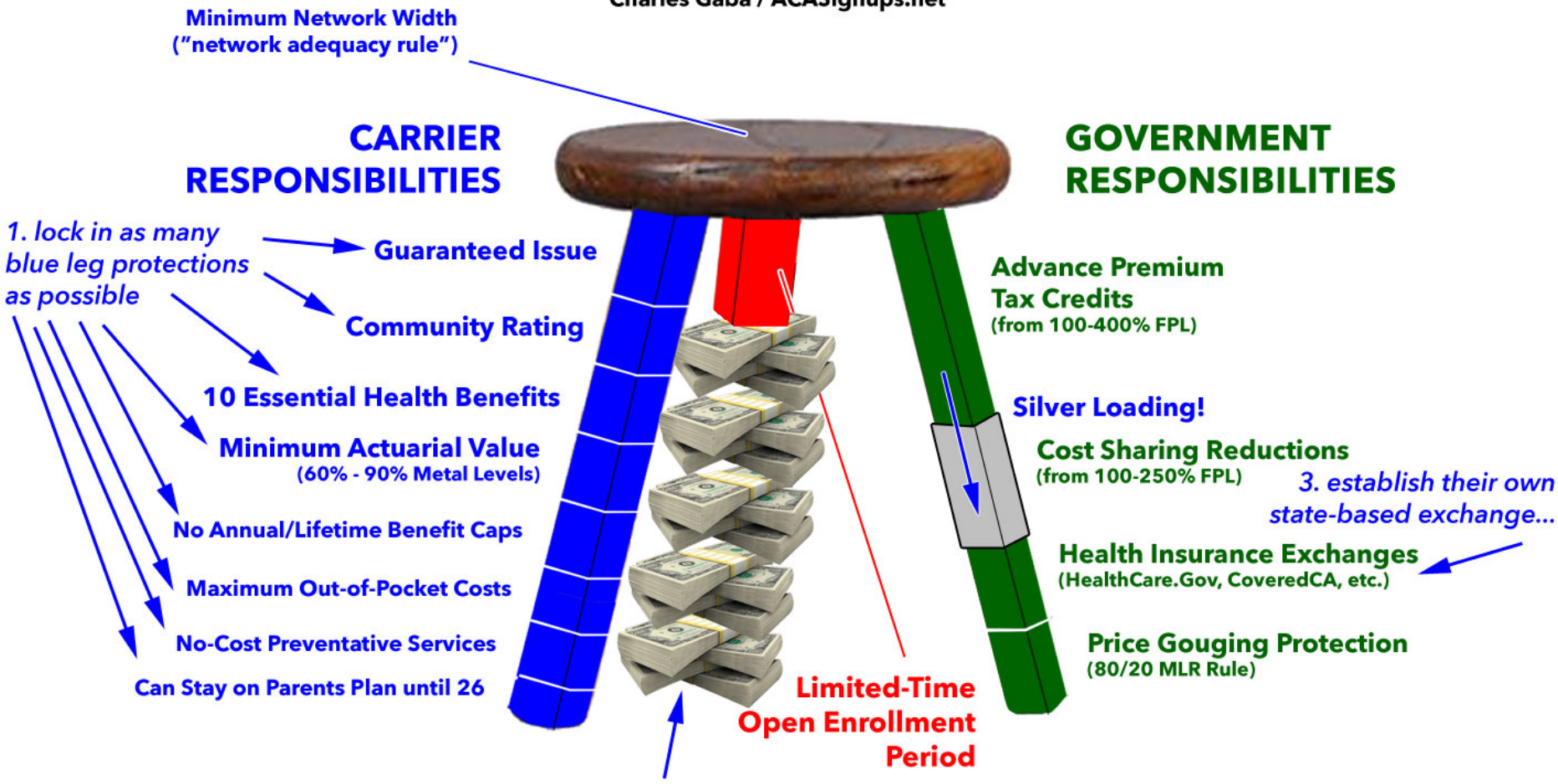

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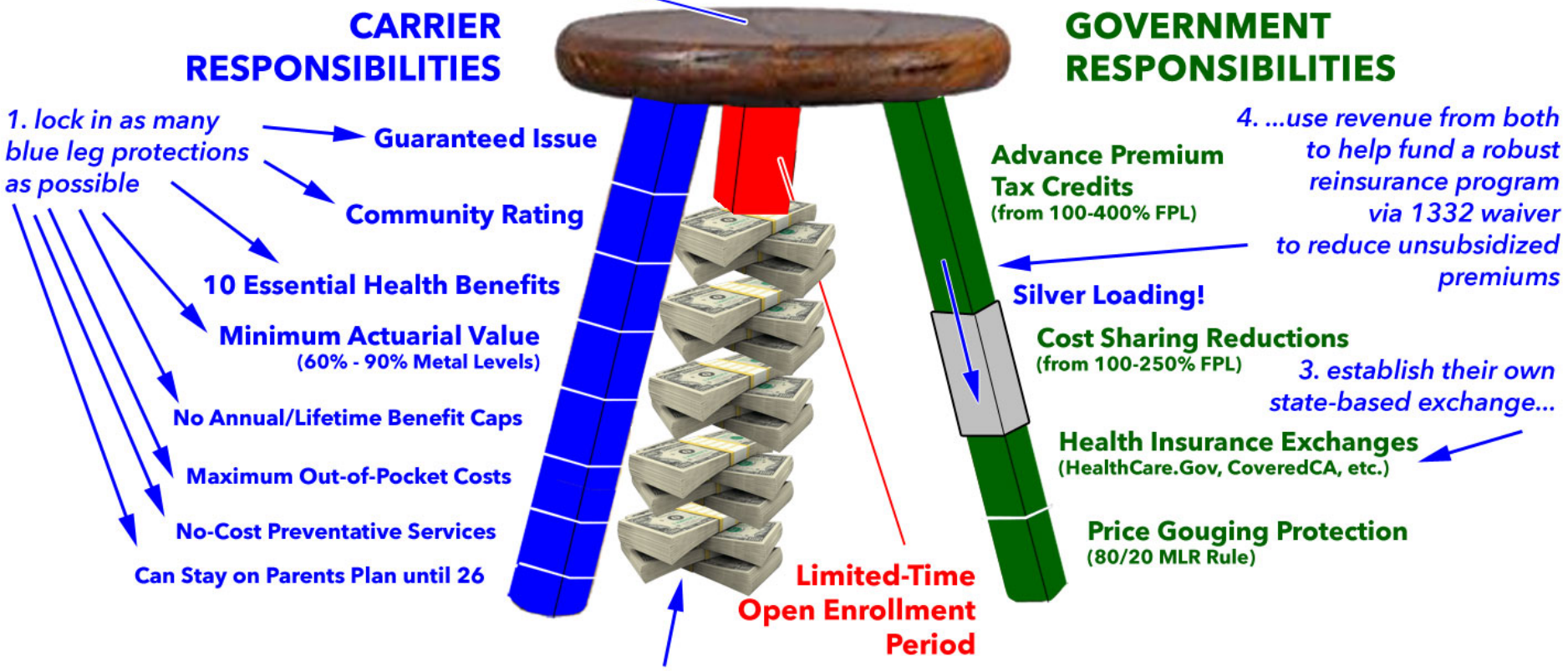

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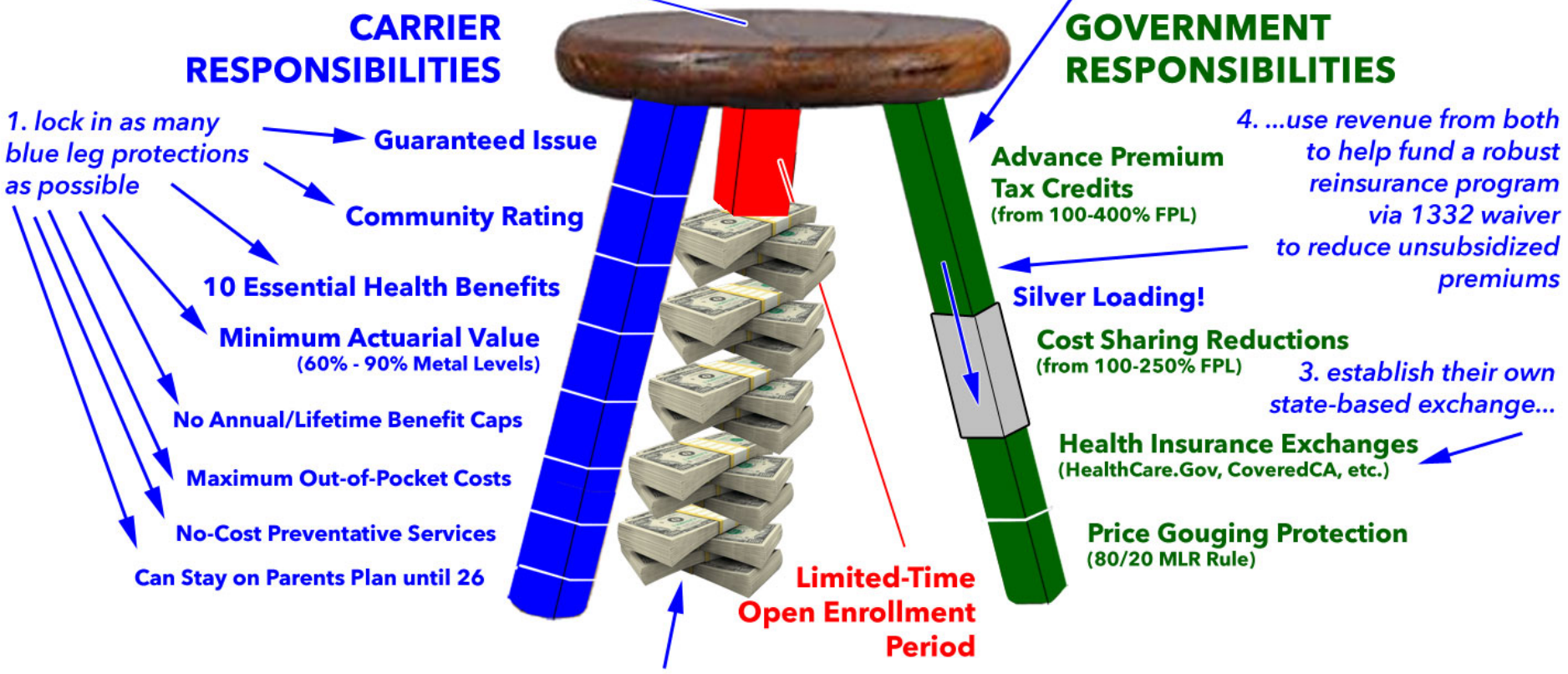


ENROLLEE RESPONSIBILITIES

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

- This is NOT about "Medicare for All", which would take until **at least** 2022 to be passed, signed & implemented and at least 2025 to be fully ramped up.

- This **is** about a suite of **less-sexy but still important** fixes/ improvements to the **CURRENT** structure to protect, repair and/or strengthen the ACA **until** more robust improvements can be made at the **federal** level.

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

- **PROTECT:** Legislation to lock in **existing** ACA patient protections in the even they're stripped away at the federal level (see also: MI Healthcare Bill of Rights)
- **REPAIR:** Legislation to **restore** ACA protections/regs which have already been stripped away at the federal level either legislatively or via regulatory changes by Trump
- **STRENGTHEN:** "ACA 2.0" improvements to take it to the next logical stage. Implementing even a few of these could dramatically improve/expand coverage while lowering costs for enrollees…and most don't require any federal approval.

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

PROTECTIONS

1. **GUARANTEED ISSUE** ***(MI status: sort of, should be strengthened)***
   (carriers must offer policies to EVERYONE, no medical underwriting)

2. **COMMUNITY RATING** ***(MI status: sort of, should be strengthened)***
   (can't charge more based on medical condition/history)

3. **GENDER EQUALITY** ***(MI status: not sure)***
   (can't charge more based on gender)

4. **RESTRICT AGE BAND TO 3:1 RATIO** ***(MI status: NO)***
   (was 5 or 6:1 pre-ACA)

5. **ESSENTIAL HEALTH BENEFITS** ***(MI status: NO)***
   (all 10 ACA benefits must be covered by all policies)

6. **NO ANNUAL OR LIFETIME COVERAGE LIMITS** ***(MI status: NO)***

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

PROTECTIONS

7. MINIMUM ACTUARIAL VALUE ***(MI status: NO)***

(all policies must cover 60%, 70%, 80% or 90% of expenses)

8. FREE PREVENTATIVE SERVICES ***(MI status: NO)***

(ACA requires $0 Out Of Pocket for a long list of these)

9. MEDICAL LOSS RATIO ***(MI status: NO)***

(indy market carriers must spend at least 80% of premiums on actual healthcare)

10. CAP ON MAXIMUM OOP ***(MI status: NO)***

(cut-off for deductibles/co-pays; carrier covers 100% after that if in-network)

11. YOUNG ADULTS ON PARENTS PLANS ***(MI status: NO)***

(19-26 yr olds can stay on their parents plans)

12. 50% OR LOWER SMOKER SURCHARGE ***(MI status: NO)***

(studies find higher smoker fees actually backfire via lower coverage)

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

REPAIRS

13. ACA MEDICAID EXPANSION *(MI status: Yes, but w/Work Requirements added)*.

680,000 Michiganders enrolled today…work requirements required as of 1/1/20.
NOTE: *Gov. Whitmer has the authority to prevent up to ~70,000 enrollees from being kicked off the program via the work requirement reporting exemption provisions.*

14. ELIMINATE OR AT LEAST REGULATE SHORT-TERM PLANS MORE STRICTLY*. (MI: sort of)*

Current Regs: Limited to 6mo/yr; only a small % of carrier profile can come from them
Recommendation: Either eliminate them entirely or at least limit them to 3mo/nonrenewable
Potential Savings in Michigan: ~1% on individual market premiums (~$60/enrollee/year)

15. RESTORE THE INDIVIDUAL MANDATE PENALTY *(MI status: NO)*

- Mandate repeal is causing 2019 premiums to spike ~6% higher than they'd otherwise be.
- 2019 rates WOULD'VE dropped ~4% but are INCREASING ~2%...~$300/enrollee/year
- Restoring mandate should LOWER 2020 rates by ~6% relative to other factors

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

REPAIRS / STRENGTHEN

16. SILVER LOADING/SWITCHING ***(MI status: Yes)***

Load full cost of CSR reimbursements onto Silver plans only.

17. CRACK DOWN ON ASSOCIATION HEALTH PLANS ***(MI status: NO)***

18. CRACK DOWN ON SURPRISE BILLING ***(MI status: NO)***

19. ESTABLISH A BASIC HEALTH PROGRAM ***(MI status: NO)***

20. REQUIRE ACA PLANS TO BE SOLD ON-EXCHANGE ONLY ***(MI status: NO)***

21. CAP CO-PAYS FOR PRESCRIPTION DRUGS ***(MI status: NO)***

22. MERGE OUR 16 RATING AREAS INTO A SINGLE AREA ***(MI status: NO)***

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

STRENGTHEN

23. REINSURANCE! *(MI status: NO)*

- State agrees to cover a chunk (say, 60% of all expenses between $40K - $250K)
- This lops off a large chunk of the total insurer costs (10-30%)
- This allows carriers to LOWER unsubsidized premiums by a similar amount
- Large portion of $ comes from the FEDERAL government saving subsidies
- The rest comes from the state…funded by revenue from the restored mandate!
- Potential savings: 10-30% depending on structure/financing ($50 - $150/mo)

% of Enrollees	Enrollees	Cost/ Enrollee	Total Cost	% of Total
50.0%	175,000	$300	$52,500,000	3%
30.0%	105,000	$2,400	$252,000,000	15%
5.0%	17,500	$5,700	$99,750,000	6%
5.0%	17,500	$9,500	$166,250,000	10%
5.0%	17,500	$15,000	$262,500,000	15%
4.0%	14,000	$32,000	$448,000,000	26%
0.9%	3,000	$100,000	$300,000,000	18%
0.1%	490	$230,000	$112,700,000	7%
0.0%	10	$400,000	$4,000,000	0%
100.0%	**350,000**		**$1,697,700,000**	100%
	Average per enrollee:		**$4,850.57**	

Amount Reinsurance Applies to	60% of expenses	Paid for by reinsurance program
$0	$0	$0
$0	$0	$0
$0	$0	$0
$0	$0	$0
$0	$0	$0
$0	$0	$0
$60,000	$36,000	$108,000,000
$190,000	$114,000	$55,860,000
$210,000	$126,000	$1,260,000
		$165,120,000

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

STRENGTHEN

24. Alternately, use the money from the mandate to provide additional subsidies to unsubsidized enrollees *(MI status: NO)*

- Massachusetts & Vermont already provide supplemental subsidies to those under 300% FPL
- The amount available would be less (half as much?), but it shouldn't require federal approval
- California just announced that they plan on reinstating the mandate & using the revenue to add subsidies for those earning 400-600% FPL *and* beef up subsidies for 200-400% FPL.

25. Save $ by establishing a State-Based exchange *(MI status: NO)*

- HealthCare.Gov charges 3.5% of premiums for operational costs…and hasn't changed this even as revenue has increased ~2.5x due to increased enrollment & premiums
- Nevada recently became the 2nd state to announce they're moving OFF HC.gov onto their own full SBM platform; total cost expected to be ~$25M over 5 years, plus just ~2.2% of premiums

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

STRENGTHEN

26. …which would allow Michigan to extend/control our open enrollment period *(MI status: NO)*

- More of a repair than an improvement, but it'd require a SBM.
- CA is sticking with a 3-month OEP; other states have announced extensions as well.

27. …and to actively negotiate exchange plans *(MI status: NO)*

- States like California & Massachusetts can put more stringent requirements on ACA exchange plans beyond bare minimums mandated by the ACA, such as standardizing benefits, standardizing networks, etc.

28. …and to gain full control over the marketing budget *(MI status: NO)*

- HC.gov slashed their marketing budget 90%; enrollment dropped 5%
- States running their own ACA exchange maintained their budgets; enrollment was flat
- With our own exchange, MI could beef up ours & rebrand as appropriate

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

STRENGTHEN

29. …and gain control over our Navigator/Outreach budget *(MI status: NO)*

- similar to the marketing cuts, HHS slashed HC.gov's navigator program budget by 40% last year and a similar amount this year.

30. SUNSET ANY REMAINING TRANSITIONAL POLICIES *(MI status: NO)*

- In Nov. 2014, Obama/HHS gave states the option to allow "transitional plans" in response to the "You Can Keep It" debacle
- Some carriers kept offering them to current enrollees, some didn't.
- Keeping enrollees in transitional plans harms the ACA risk pool; moving them to ACA plans helps improve the risk pool
- Not sure how many in MI are still enrolled in them; estimate of ~82K (?)
- Moving even ½ to ACA market would increase risk pool by ~10% w/mostly healthy folks
- Potential savings: Unknown…several % I'd imagine

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

STRENGTHEN

31. MERGE THE INDIVIDUAL AND SMALL GROUP MARKETS! *(MI status: NO)*

- Most states split their health insurance markets into Large Group (100+ employees), Small Group (1-99 employees) and Individual/Nongroup (sole proprietors/those who don't receive employer coverage)
- 47% of MI population in Large Group; 4% in Small Group; 3% in Individual Market
- The larger the risk pool, the more stable it is. Merging Sm. Group/Indy = 7-8% of pop.
- Massachusetts & Vermont have merged these two into a single risk pool & have stable markets
- UPSIDE: Stability & lower rates for individual market enrollees
- DOWNSIDE: Higher rates for small group market

32. TIE EXCHANGE ENTRY TO MCO/STATE EMPLOYEE CONTRACTS *(MI status: NO)*

- If carriers want to bid on a Managed Medicaid or State Employee/School Coverage contract, they also have to agree to participate in the ACA exchange

33 Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the state level

STRENGTHEN

33. ESTABLISH AN ALL-PAYER RATE REQUIREMENT *(MI status: NO)*

- **Right now, every insurance company negotiates different reimbursement rates for services with hospitals, as do Medicaid and Medicare**

- **As a result, the same procedure cost can vary insanely depending on the hospital, doctor, who's paying etc.**

- **All Payers (private insurance, Medicare, Medicaid, etc.) pay the SAME RATE to the same hospital/clinic for the same procedures…and those rates are determined by a state advisory board**

- **Maryland established a pilot program a few years back which has been successful enough that they've recently expanded it. They've saved hundreds of millions of dollars, expects to save $300M more over the next 5 years via this expansion**

- **Some SP advocates are as excited about All-Payer as Single Payer**

"Medicare for All"

Sen. Bernie Sanders's (I-VT) **Medicare-for-all bill**

Rep. Pramila Jayapal (D-WA) and the House Progressive Caucus's **Medicare-for-all bill**

"Medicare for America"

Reps. Rosa DeLauro (D-CT) and Jan Schakowsky's (D-IL) **Medicare-for America-bill**

"Choose Medicare"

Sens. Jeff Merkley (D-OR) and Chris Murphy's (D-CT) **Medicare buy-in bill**

Rep. Jan Schakowsky (D-IL) and Sen. Sheldon Whitehouse's (D-RI) **Medicare buy-in bill**

"CHOICE Act"

Sen. Michael Bennet (D-CO), Rep. Brian Higgins's (D-NY) and Sen. Tim Kaine (D-VA) **Medicare buy-in bill**

"Medicare X"

Sen. Brian Schatz (D-HI) and Rep. Ben Ray Lujan's (D-NM) **Medicaid buy-in bill**

"State Public Option Act"

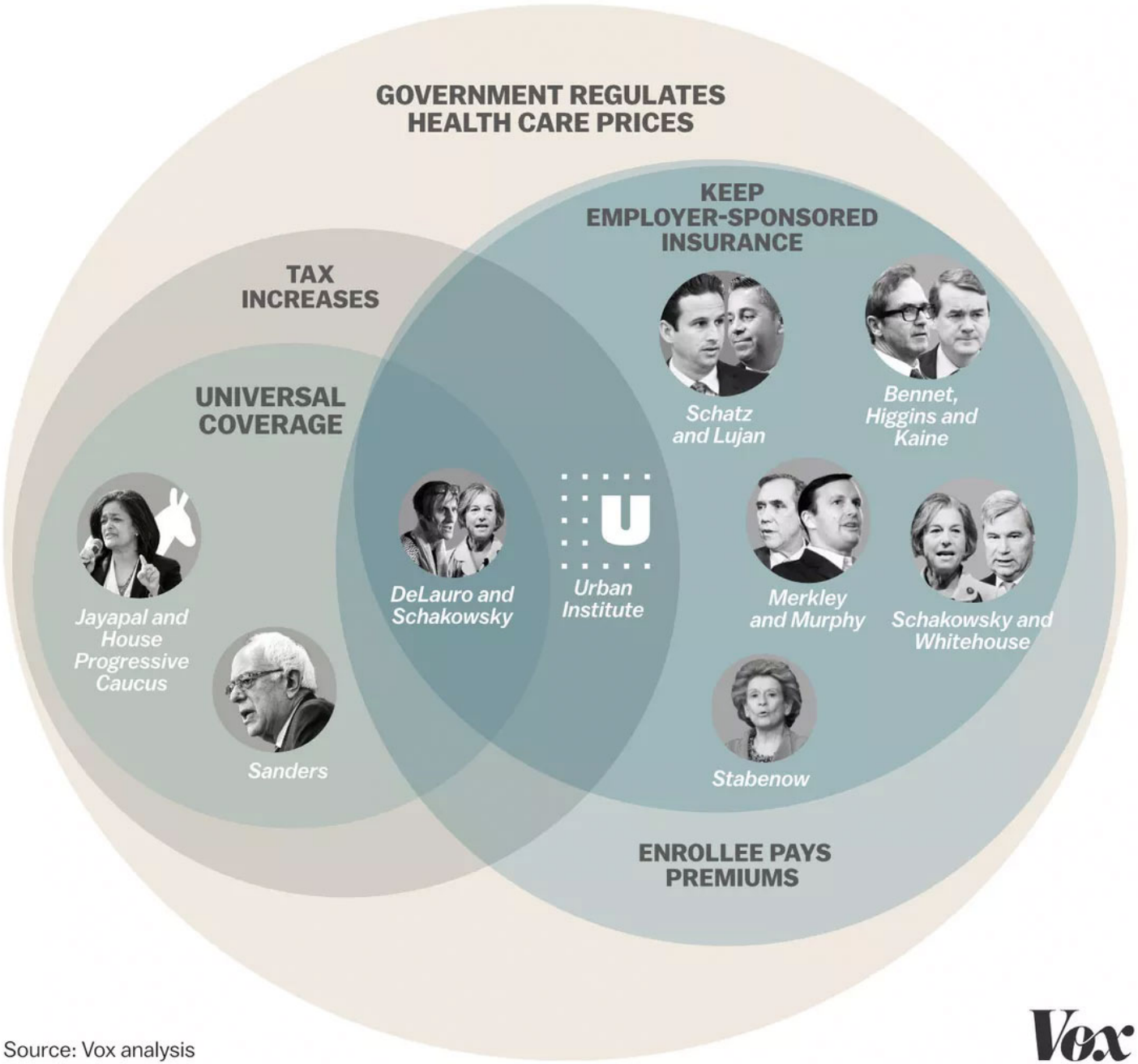
The Urban Institute's **Healthy America proposal**

"Healthy America"

Sen. Debbie Stabenow (D-MI) **Medicare-at-50 bill**

"Medicare 50+"

DEMOCRATIC PLANS FOR UNIVERSAL HEALTH CARE, COMPARED



Source: Vox analysis

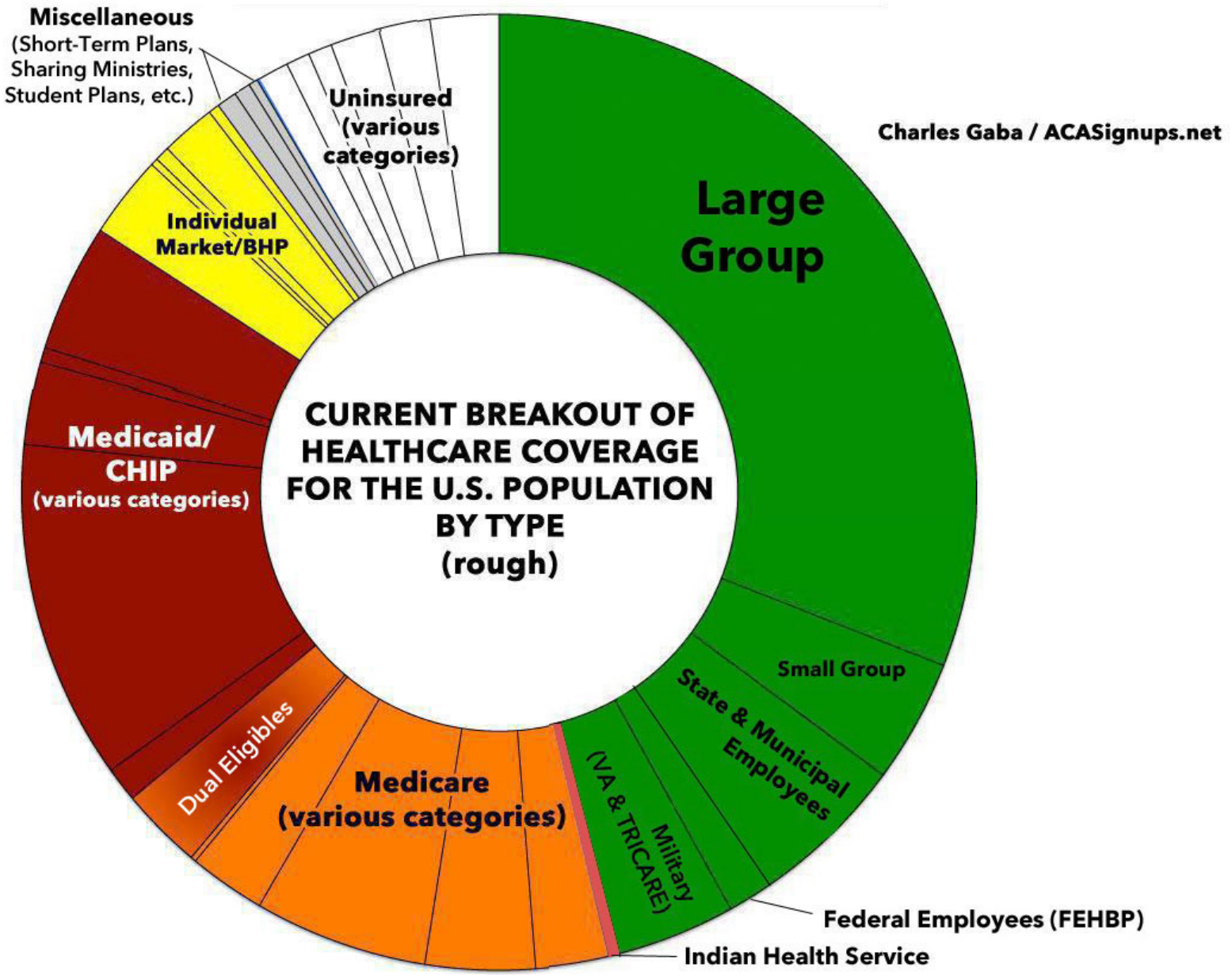
Vox

	Do **ALL AMERICANS** gain coverage?	Do Americans still get **INSURANCE AT WORK?**	Do public plan enrollees pay **PREMIUMS?**	Does it require a **TAX INCREASE?**	Does the **GOVERNMENT REGULATE** health care prices?
Jayapal (D-WA) and the House Progressive Caucus's **Medicare-for-all bill**	✓	✗	✗	✓	✓
Sanders's **Medicare-for-all bill**	✓	✗	✗	✓	✓
DeLauro (D-CT) and Schakowsky's (D-IL) **Medicare for America bill**	✓	✓	✓	✓	✓
Merkley (D-OR) and Murphy's (D-CT) **Medicare buy-in bill**	✗	✓	✓	✗	✓
Schakowsky (D-IL) and Whitehouse's (D-RI) **Medicare buy-in bill**	✗	✓	✓	✗	✓
Bennet (D-CO), Higgins's (D-NY) and Kaine (D-VA) **Medicare buy-in bill**	✗	✓	✓	✗	✓
Schatz (D-HI) and Lujan's (D-NM) **Medicaid buy-in bill**	✗	✓	✓	✗	✓
Stabenow (D-MI) **Medicare-at-50 bill**	✗	✓	✓	✗	✓
The Urban Institute's **Healthy America proposal**	✗	✓	✓	✓	✓

Source: Vox analysis

Vox


MEDICARE
for
AMERICA


Miscellaneous
(Short-Term Plans, Sharing Ministries, Student Plans, etc.)
Uninsured
(various categories)
Charles Gaba / ACASignups.net
Large Group
Individual Market/BHP
CURRENT BREAKOUT OF HEALTHCARE COVERAGE FOR THE U.S. POPULATION BY TYPE
(rough)
Medicaid/ CHIP
(various categories)
Small Group
State & Municipal Employees
Military (VA & TRICARE)
Dual Eligibles
Medicare
(various categories)
Federal Employees (FEHBP)
Indian Health Service

MOST likely to WELCOME a single, mandatory, comprehensive, affordable healthcare program:

- Those currently **UNINSURED** (~30 million)
- Those currently enrolled in **JUNK PLANS** (~5 million)
- Those currently on **INDIVIDUAL MARKET** (~15 million)
  - Especially those who are unsubsidized or lightly subsidized.
- Those currently enrolled in **MEDICAID/CHIP** (~73 million)
  - To stop individual states from constantly screwing around with coverage, eligibility, etc.
- Those currently enrolled in **MEDICARE** (~55 million)
  - As long as they receive better benefits without having to pay more
- **Total: ~52% of the total U.S. population**

LEAST likely to welcome a single, mandatory, publicly run healthcare program:

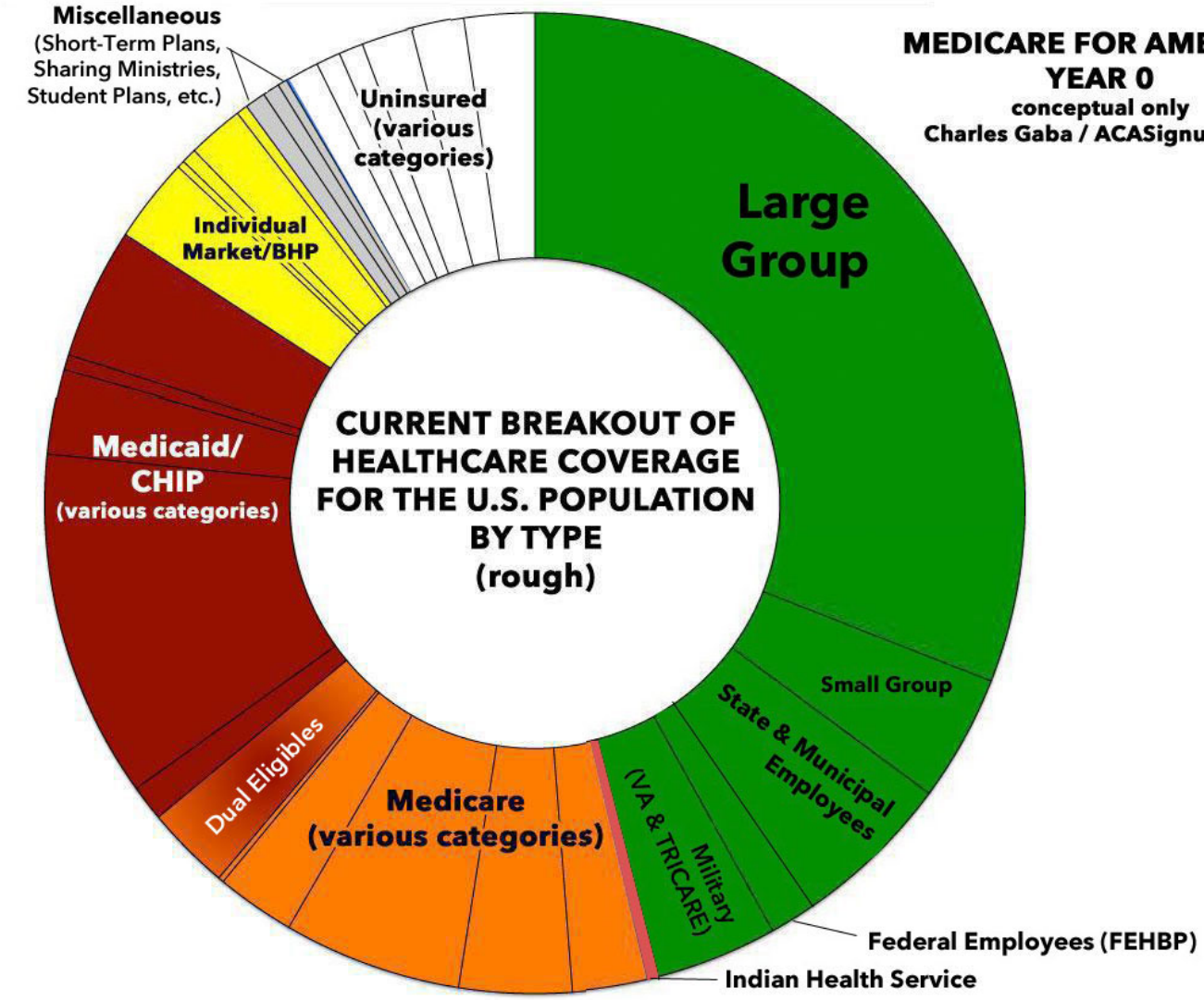
- Those enrolled in **EMPLOYER-SPONSORED HEALTHCARE** (~160 million)
  - Includes Federal, State & Municipal employees
  - Includes Union Workers who gave up other benefits to acquire Gold-plated healthcare coverage
  - Includes Military TRICARE enrollees & the Indian Health Service
- ~2/3 are are at least **satisfied** (if not thrilled) w/current coverage
- Potential backlash over having current coverage replaced
- Concern about Big, Unknown Program, etc etc.
- **Total: ~48% of the total U.S. population**

"Medicare for America"
WHO'S COVERED?

- **ENROLLED AUTOMATICALLY: ~52% of the population:**
  - Everyone currently UNINSURED
  - Everyone currently enrolled in the INDIVIDUAL MARKET
  - Everyone currently enrolled in MEDICAID or CHIP
  - Everyone currently enrolled in MEDICARE
  - All NEWBORN CHILDREN
  - All NEWLY TURNING 65
- **CAN ENROLL IF THEY WANT TO: ~48% of the population:**
  - Anyone with EMPLOYER COVERAGE, including:
    - Employees of LARGE BUSINESSES
    - Employees of SMALL BUSINESSES
    - Federal Employees (FEHBP)
    - State & Municipal Employees
    - Active Military Members (TRICARE)
    - Enrollees in the Indian Health Service

“Medicare for America”

introduced by Reps. DeLauro & Schakowsky



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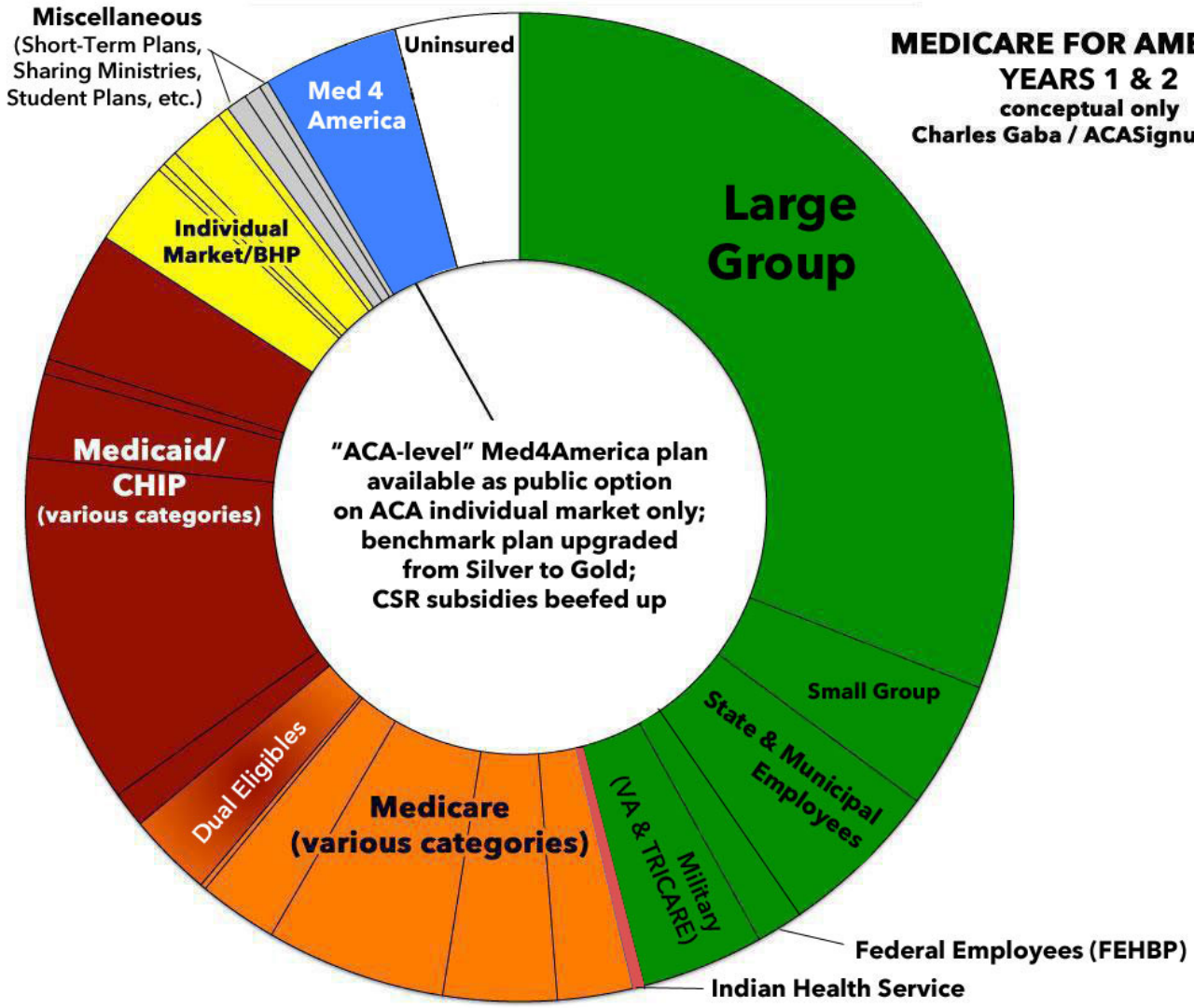

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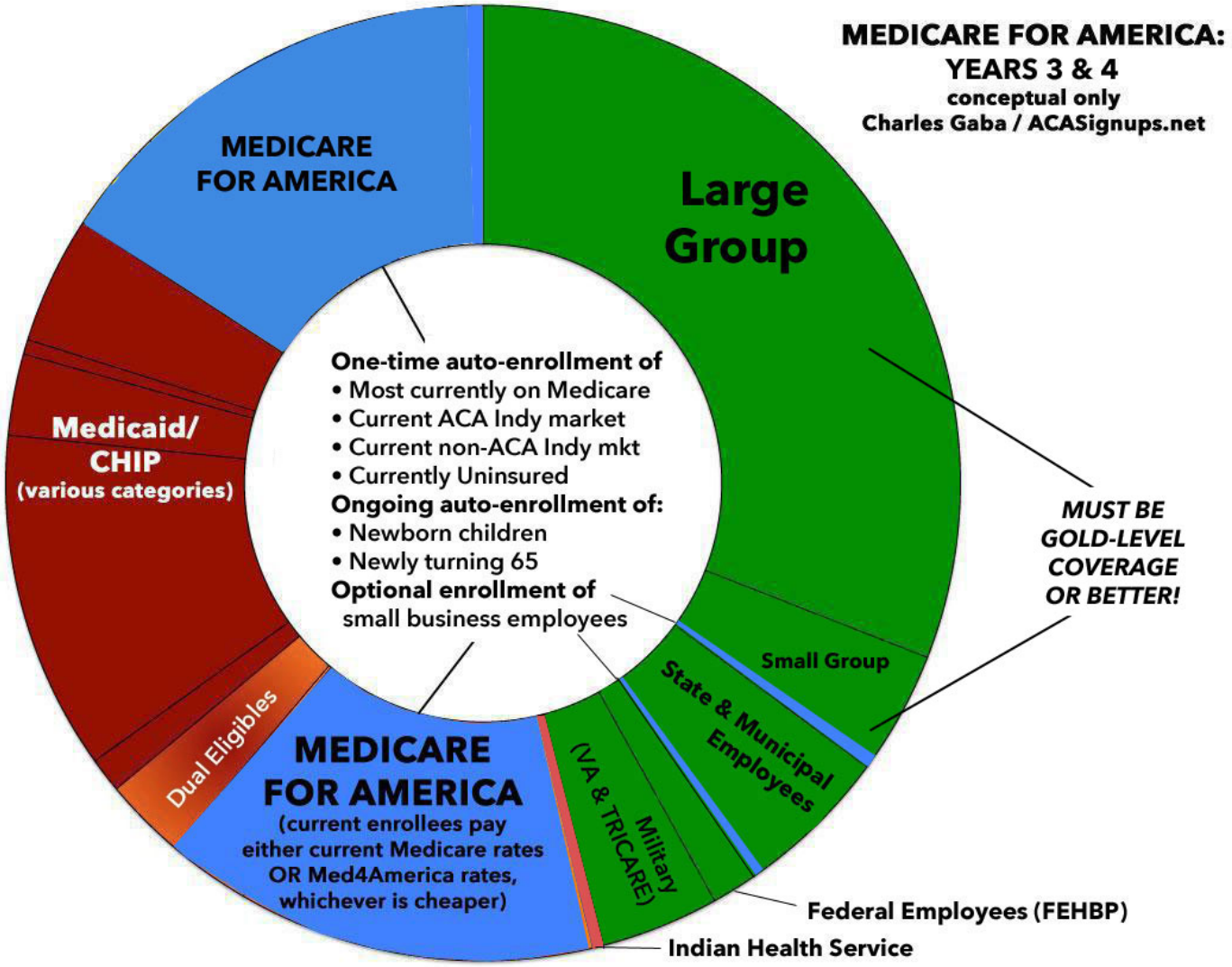

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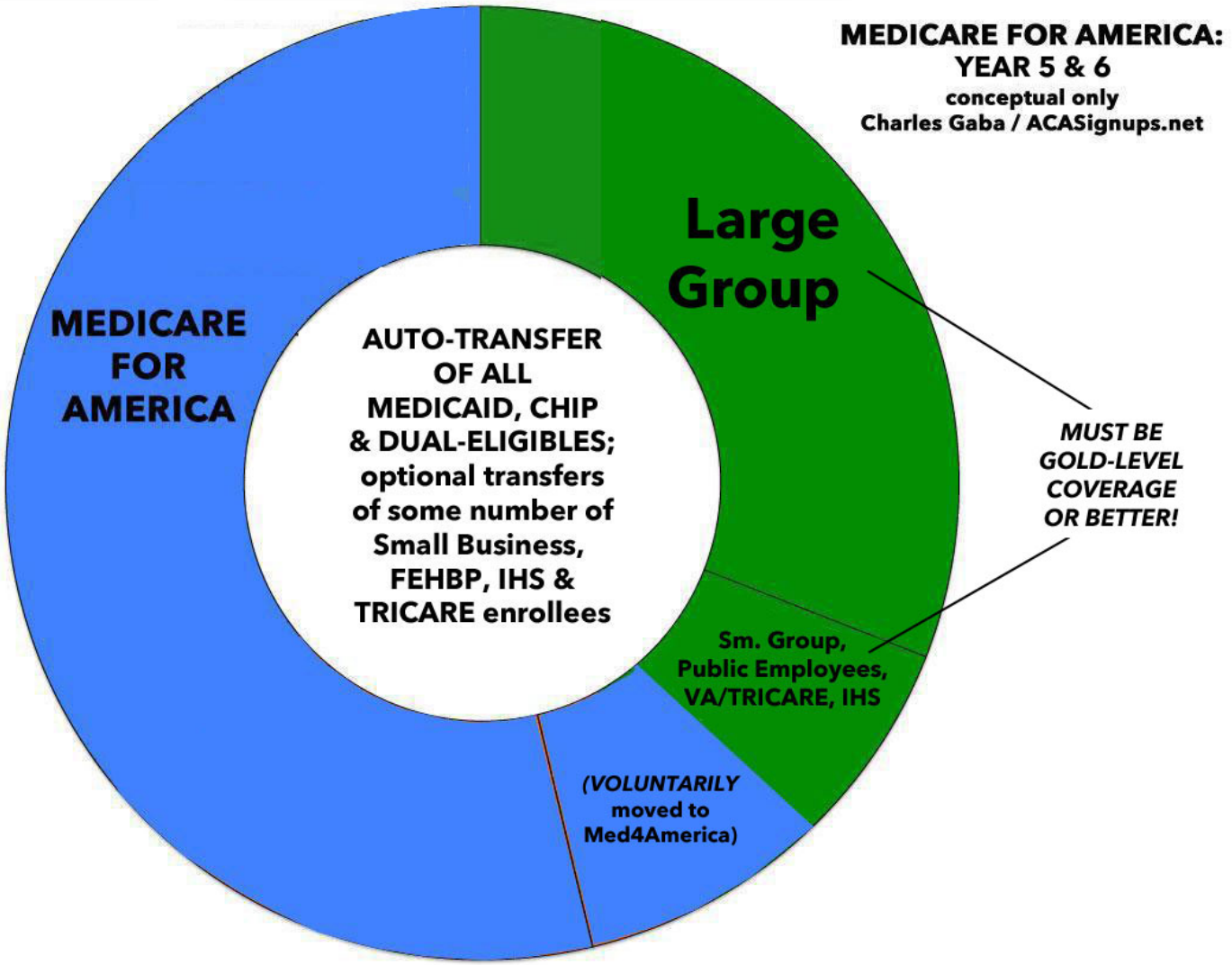

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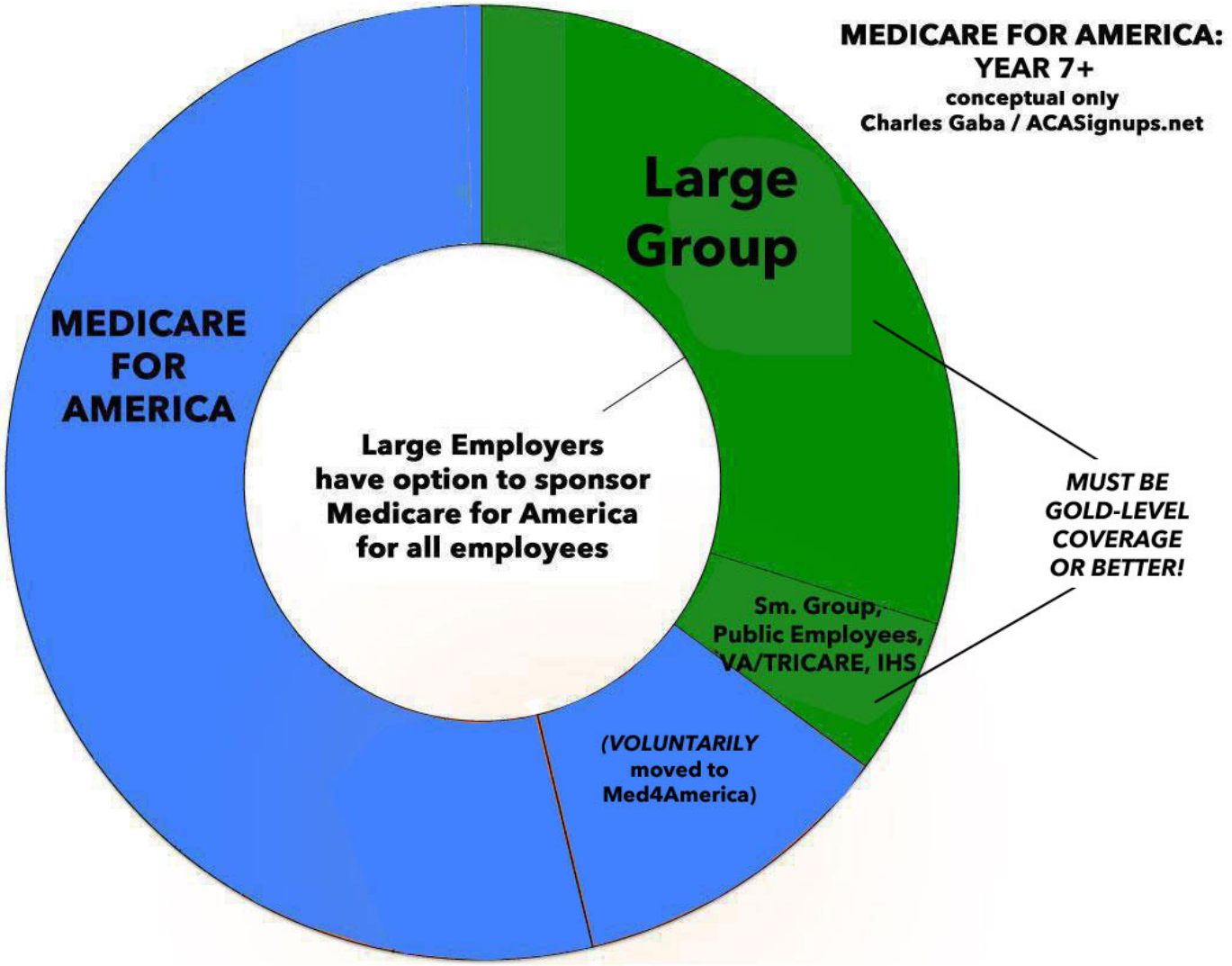

“Medicare for America”

WHAT’S COVERED? (just about everything)

- Ambulatory services
- Emergency care/urgent care
- Hospitalization
- Maternity/newborn care
- Behaviorial health services
- Prescription drugs via FDA
- Rehabilitative/habilitive services
- Laboratory services
- Preventative/wellness & chronic disease management
- Pediatric services
- Dental care
- Hearing services/hearing aids
- Vision services
- **Home & Community-based long-term support services**
- Chiropractic services
- Chiropractic services
- Durable medical equipment
- Family Planning (including full maternity & reproductive care)
- Gender-confirming procedures
- STD/HIV screening, testing, treatment & counseling
- Dietary/nutrition counseling
- Medically necessary food/vitamins
- Nursing facilities
- Acupuncture
- Digital health therapeutics
- Telehealth
- Non-emergency medical transportation
- Care coordination
- Palliative care
- Anything else covered by any State plan

"Medicare for America"
LONG-TERM SUPPORT & SERVICES

- **Home health aides & homemakers**
- **Direct support professionals** and personal attendant care services
- **Hospice**
- **Nursing care**
- **Medical Social Services**
- **Care coordination**, including case management, fiscal intermediary, and support brokerage services
- **Short-term inpatient care**, including respite care and care for pain control;
- **Behavioral health home and community based long-term services and supports**, including assertive community treatment; peer support services
- **Intensive care coordination,** including case management; supported employment; and supported housing wraparound
- **Private-duty nursing**
- **Respite services** provided in the individual's home or broader community
- **Transitional services** to support an individual's transition from an institutional setting to the community.

“Medicare for America”

introduced by Reps. DeLauro & Schakowsky

Estimated "Medicare for America" Premiums & Cost Sharing based on proposed sliding scale via ACASignups.net			
Household Income (FPL)	Premiums (% of income)	Maximum Out of Pocket Costs (individual)	(family)
0 - 50%	0	$0	$0
50 - 100%	0	$0	$0
100 - 150%	0	$0	$0
150 - 200%	0	$0	$0
200 - 250%	0 - 1%	$0 - $400	$0 - $500
250 - 300%	1 - 2%	$400 - $800	$500 - $1,000
300 - 350%	2 - 3%	$800 - $1,200	$1,000 - $1,500
350 - 400%	3 - 4%	$1,200 - $1,600	$1,500 - $2,000
400 - 450%	4 - 5%	$1,600 - $2,000	$2,000 - $2,500
450 - 500%	5 - 6%	$2,000 - $2,400	$2,500 - $3,000
500 - 550%	6 - 7%	$2,400 - $2,800	$2,500 - $3,500
550 - 600%	7 - 8%	$2,800 - $3,500	$3,500 - $5,000
over 600%	8%	$3,500	$5,000

"Medicare for America"

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Single 30-Year Old Adult, $25,000/year income

System	Monthly Premium	Annual Premium	Deductible	Maximum Out of Pocket	Worst-Case Scenario	Caveats?
Current ACA:	$140	$1,680	$3,500	$5,000	$6,680*	*(only if in network)*
Medicare for America:	$5	$60	*n/a*	$100	$160	*no matter what*

Single 40-Year Old Adult, $40,000/year income

System	Monthly Premium	Annual Premium	Deductible	Maximum Out of Pocket	Worst-Case Scenario	Caveats?
Current ACA:	$328	$3,936	$4,000	$7,900	$11,836*	*(only if in network)*
Medicare for America:	$81	$972	*n/a*	$1,200	$2,172	*no matter what*

Single 50-Year Old Adult, $60,000/year income

System	Monthly Premium	Annual Premium	Deductible	Maximum Out of Pocket	Worst-Case Scenario	Caveats?
Current ACA:	$592	$7,104	$4,000	$7,900	$15,004*	*(only if in network)*
Medicare for America:	$280	$3,360	*n/a*	$2,800	$6,160	*no matter what*

Single 60-Year Old Adult, $90,000/year income

System	Monthly Premium	Annual Premium	Deductible	Maximum Out of Pocket	Worst-Case Scenario	Caveats?
Current ACA:	$898	$10,776	$4,000	$7,900	$18,676*	*(only if in network)*
Medicare for America:	$600	$7,200	*n/a*	$3,500	$10,700	*no matter what*

ACA costs based on avg. 2019 ACA-compliant Individual Market Premiums & Deductibles via HealthPocket data.

"Medicare for America"

WHAT ABOUT EMPLOYER-SPONSORED INSURANCE?

- **LARGE EMPLOYERS (>100 employees) HAVE A CHOICE:**
  - **A. Provide QUALITY PRIVATE INSURANCE for their employees (must be Gold-level or higher w/vision, dental & hearing: 80% AV w/employer covering at least 70% of premiums, including for their family); OR**
  - **B. Shift employees over to Medicare for America & pay a flat 8% payroll tax**
- **SMALL EMPLOYERS (<100 employees) HAVE A CHOICE:**
  - **A. Provide QUALITY health insurance for their employees (must be Gold-level or higher w/vision, dental & hearing: 80% AV w/employer covering at least 70% of premiums, including for their family); or**
  - **B. Shift employees over to Medicare for America**
  - ***If an individual employee wants to move to Med4America, they can do so & their employer has to continue to pay the same amount they were before; employee pays LESSER of what they were or Med4America rates***

“Medicare for America”

WHAT ABOUT MEDICARE ADVANTAGE?

- Individuals **will have the option to enroll in a Medicare Advantage for America plan**
- These plans **will need to charge a separate premium if they cover additional benefits**.
- Medicare Advantage plans would also pay **Medicare for America rates** for benefits and services.
- Includes **Medicare Advantage Bill of Rights**, which would **prohibit plans from dropping providers during the middle of the plan year** w/out cause & **improves notice to plan enrollees** about annual changes to provider networks
- **Federal gov’t pays MA admin 95% of costs**; it’s up to MA admin to decide what additional benefits to offer & how much more to charge.

“Medicare for America”

HOW IS IT PAID FOR?

- **Sunset the 2017 Tax Bill**
- **Add a 5% surtax on AGI over $500K/yr**
- **Increase Medicare payroll tax on income over $200K ($250K)/yr (from 0.9% to 4.0% over those amounts)**
- **Increase Net Investment tax on income over $200K ($250K)/year (from 3.8% to 6.9% over those amounts)**
- **Increase excise taxes on all tobacco, alcohol & sugary drink products**

- **States would continue to make maintenance of effort payments equal to their existing Medicaid/CHIP funding, adjusted to account for whether they’ve expanded Medicaid under the ACA or not**

“Medicare for America”

OTHER IMPORTANT STUFF

- **ABORTION WOULD BE COVERED** (along w/complete reproductive/ maternity care). The Hyde Amendment “shall not apply”.
- **UNDOCUMENTED IMMIGRANTS** are covered (“a resident of the United States or a territory of the United States”)
- **PROHIBITION AGAINST STEP THERAPY** & Prior Authorization
- **CURRENT MEDICARE ENROLLEES WOULD PAY CURRENT PREMIUMS** (i.e., they pay the lesser of Med4Am rates or existing Medicare rates)
- **MEDICAL STUDENT LOAN FORGIVENESS:** Doctors, nurses, direct care workers, therapists, PAs, pharmacists, dentists etc. will have 10% of their student loan debt forgiven for each year they participate in Medicare for America

“Medicare for America”

OTHER IMPORTANT STUFF

- **HEALTHCARE PROVIDER REIMBURSEMENT RATES:** Based on existing Medicare/Medicaid but higher for some services (at least 110% for hospital inpatient/outpatient; higher for underserved areas; at least 130% for primary care, mental & behavioral health services)
- **ALLOWS HHS TO NEGOTIATE PRESCRIPTION DRUG PRICES**
- **No Balance Billing/Surprise Billing**
- **No Private Contracting**
- **Mental Health Parity Requirement**
- **SAFE STAFFING REQUIREMENTS for hospitals** (must have a strictly-defined adequate number of nurses, orderlies, etc. per patient)
- **Eliminates State Medicaid waiting lists**
- **Eliminates 2-year SSDI Medicare waiting list**

Charles Gaba

healthcare policy data, analysis & snark

ACASignups.net

Patreon.com/CharlesGaba
or
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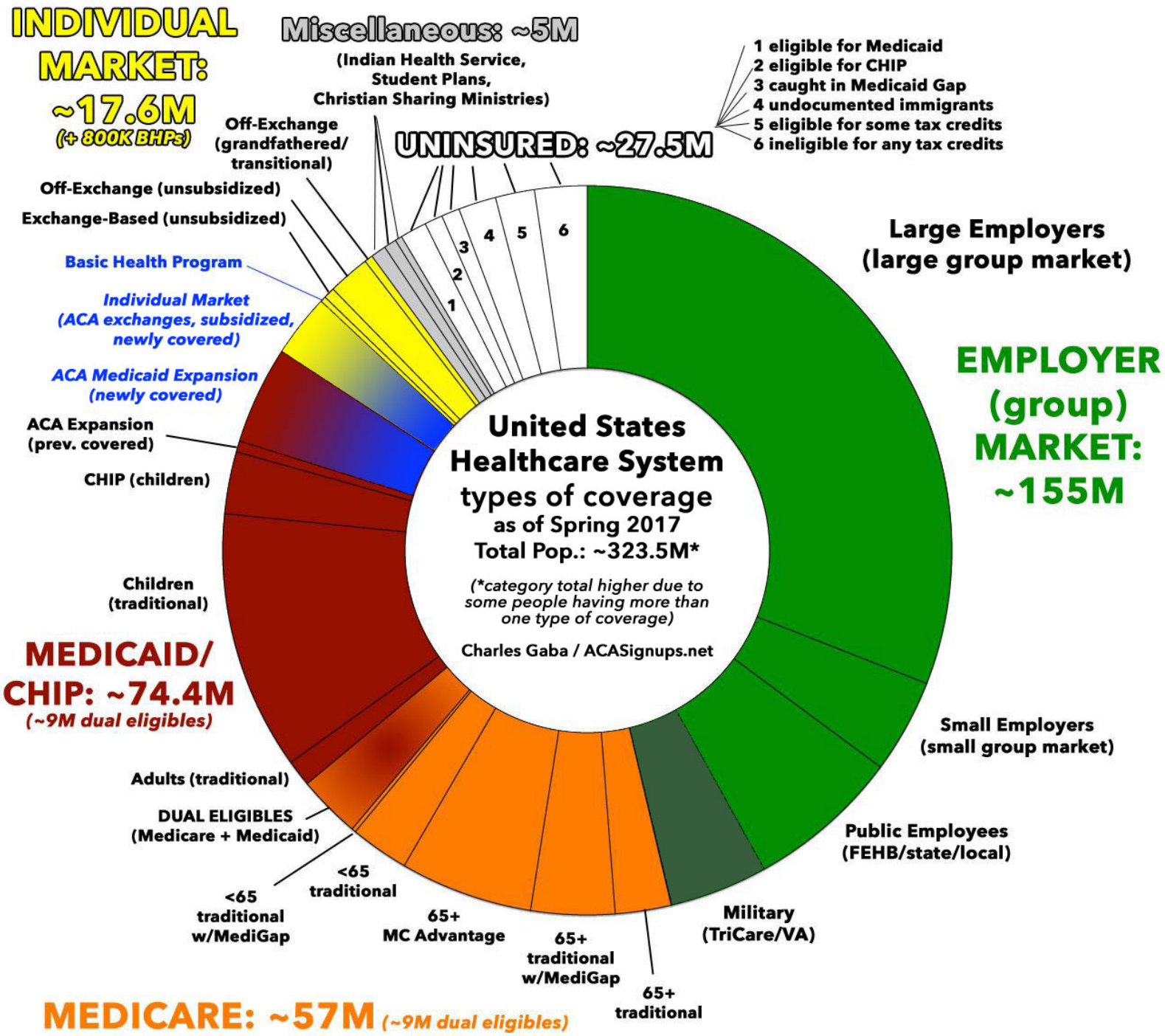
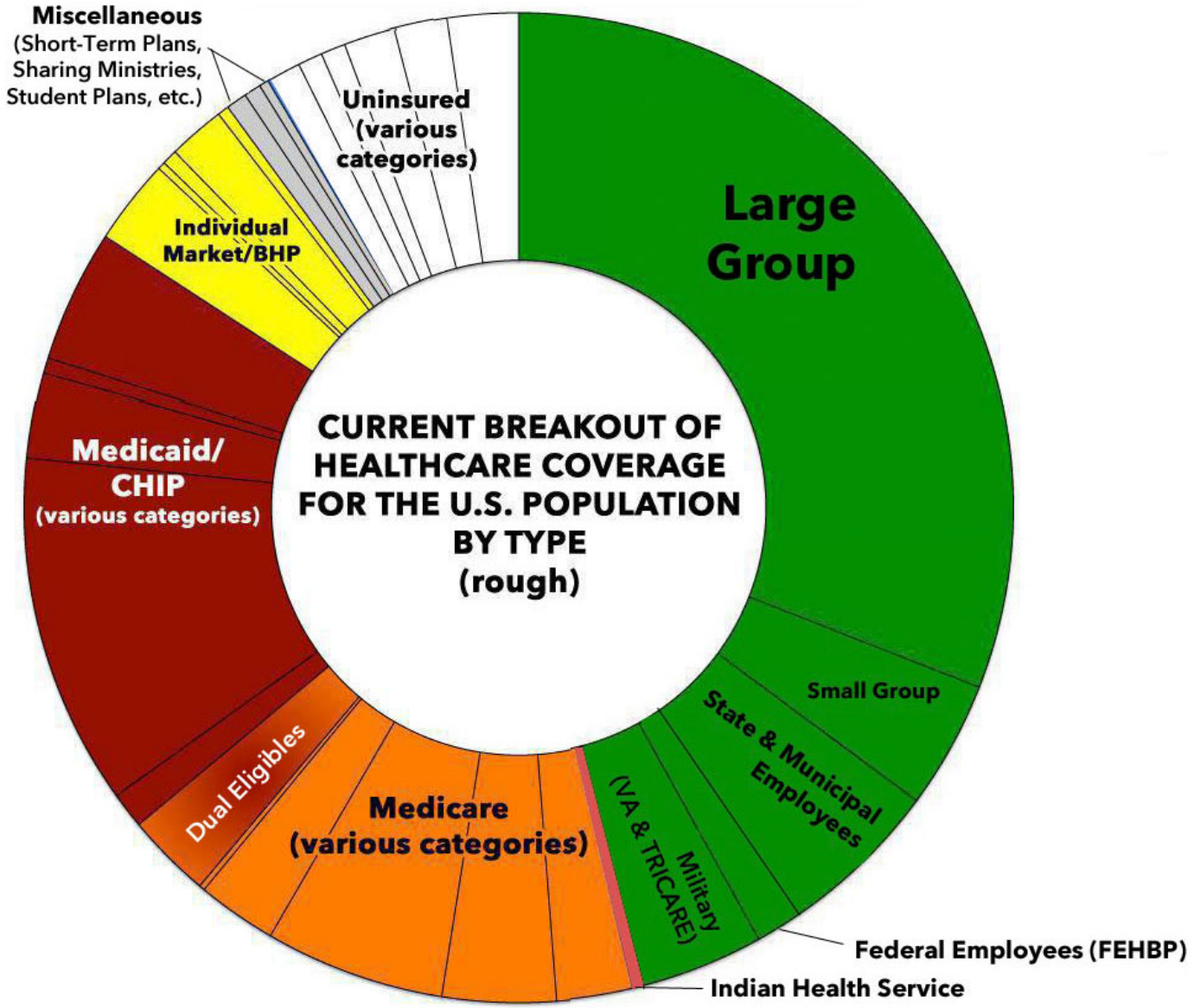

INDIVIDUAL MARKET: ~17.6M (+ 800K BHPs)
Miscellaneous: ~5M
(Indian Health Service, Student Plans, Christian Sharing Ministries)
Off-Exchange (grandfathered/ transitional)
Off-Exchange (unsubsidized)
Exchange-Based (unsubsidized)
Basic Health Program
Individual Market (ACA exchanges, subsidized, newly covered)
ACA Medicaid Expansion (newly covered)
ACA Expansion (prev. covered)
CHIP (children)
Children (traditional)
MEDICAID/ CHIP: ~74.4M (~9M dual eligibles)
Adults (traditional)
DUAL ELIGIBLES (Medicare + Medicaid)
<65 traditional w/MediGap
<65 traditional
65+ MC Advantage
65+ traditional w/MediGap
65+ traditional
MEDICARE: ~57M (~9M dual eligibles)
Military (TriCare/VA)
Public Employees (FEHB/state/local)
Small Employers (small group market)
Large Employers (large group market)
EMPLOYER (group) MARKET: ~155M
UNINSURED: ~27.5M
1 eligible for Medicaid
2 eligible for CHIP
3 caught in Medicaid Gap
4 undocumented immigrants
5 eligible for some tax credits
6 ineligible for any tax credits
United States Healthcare System
types of coverage
as of Spring 2017
Total Pop.: ~323.5M*
(*category total higher due to some people having more than one type of coverage)
Charles Gaba / ACASignups.net

TRANSITION TIMELINE UNDER BERNIE SANDERS' "MEDICARE FOR ALL" PROPOSAL



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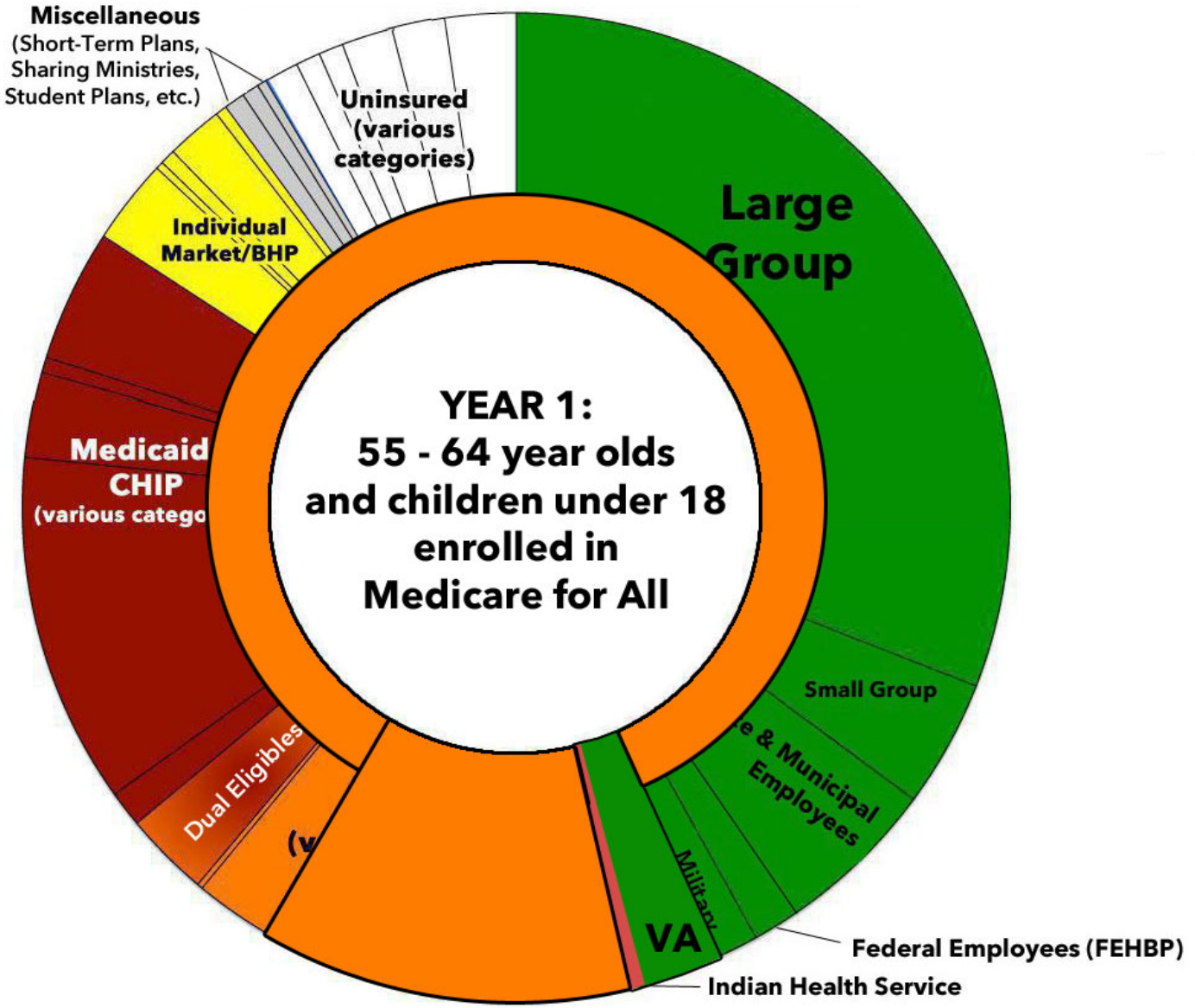

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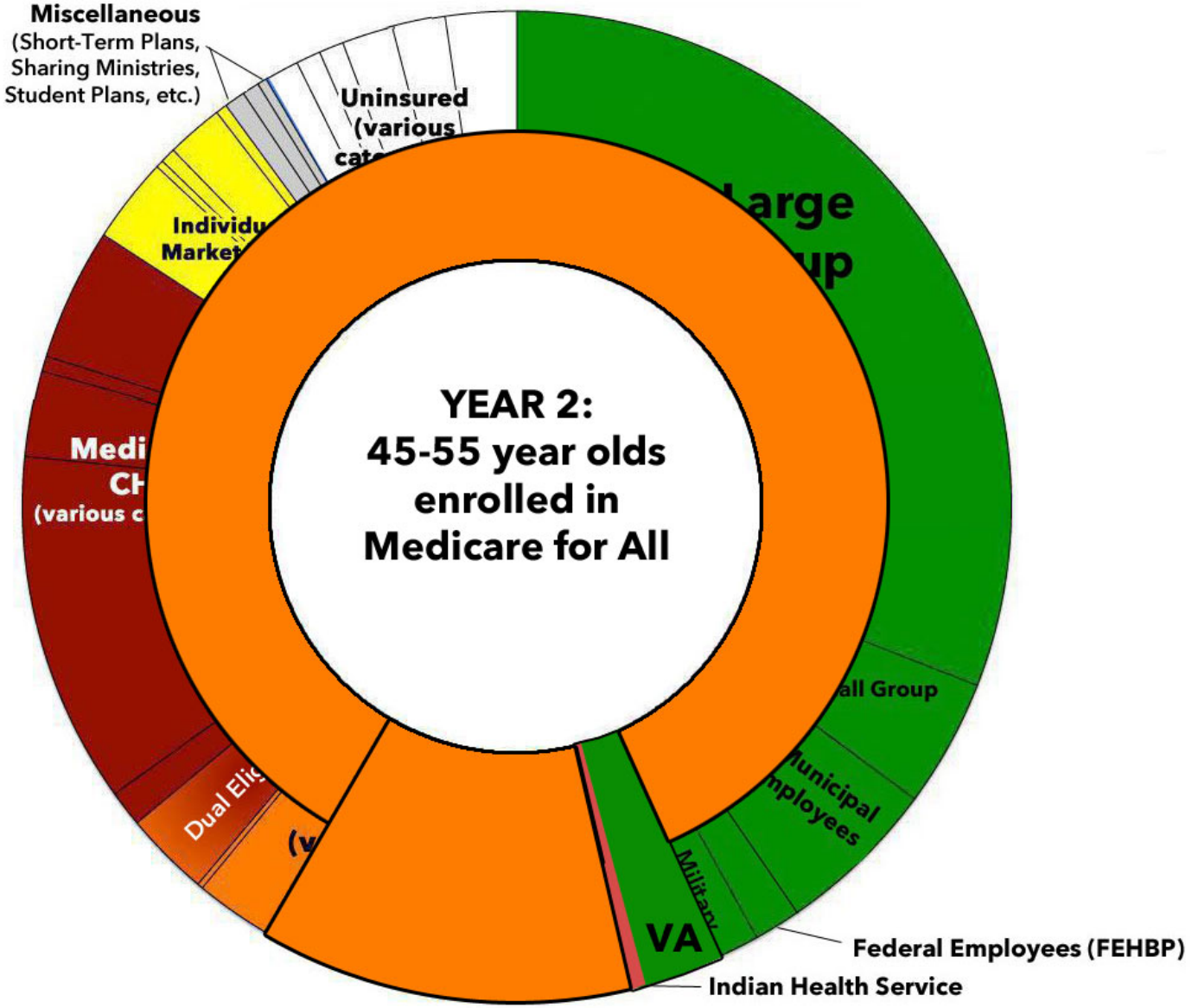

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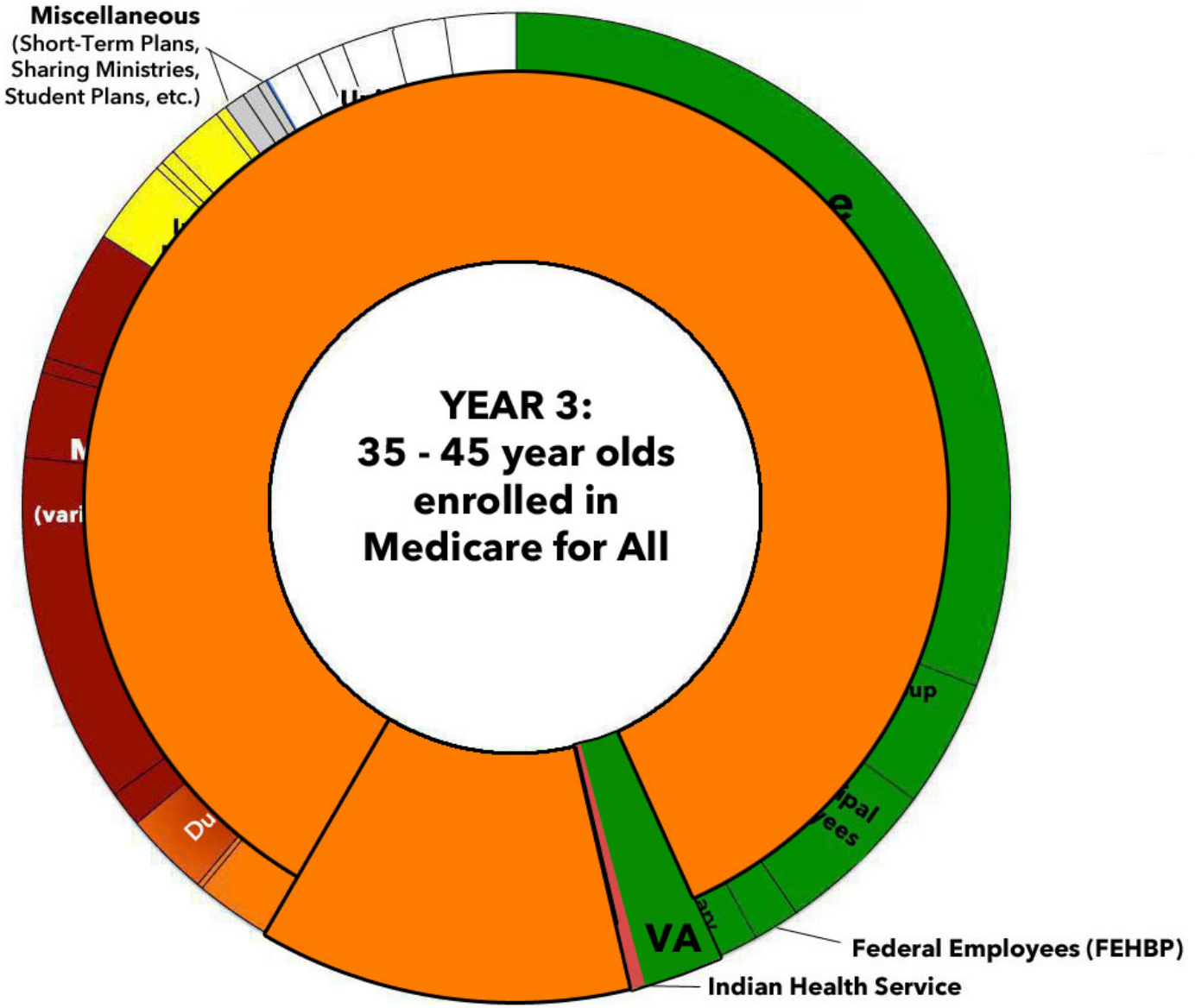

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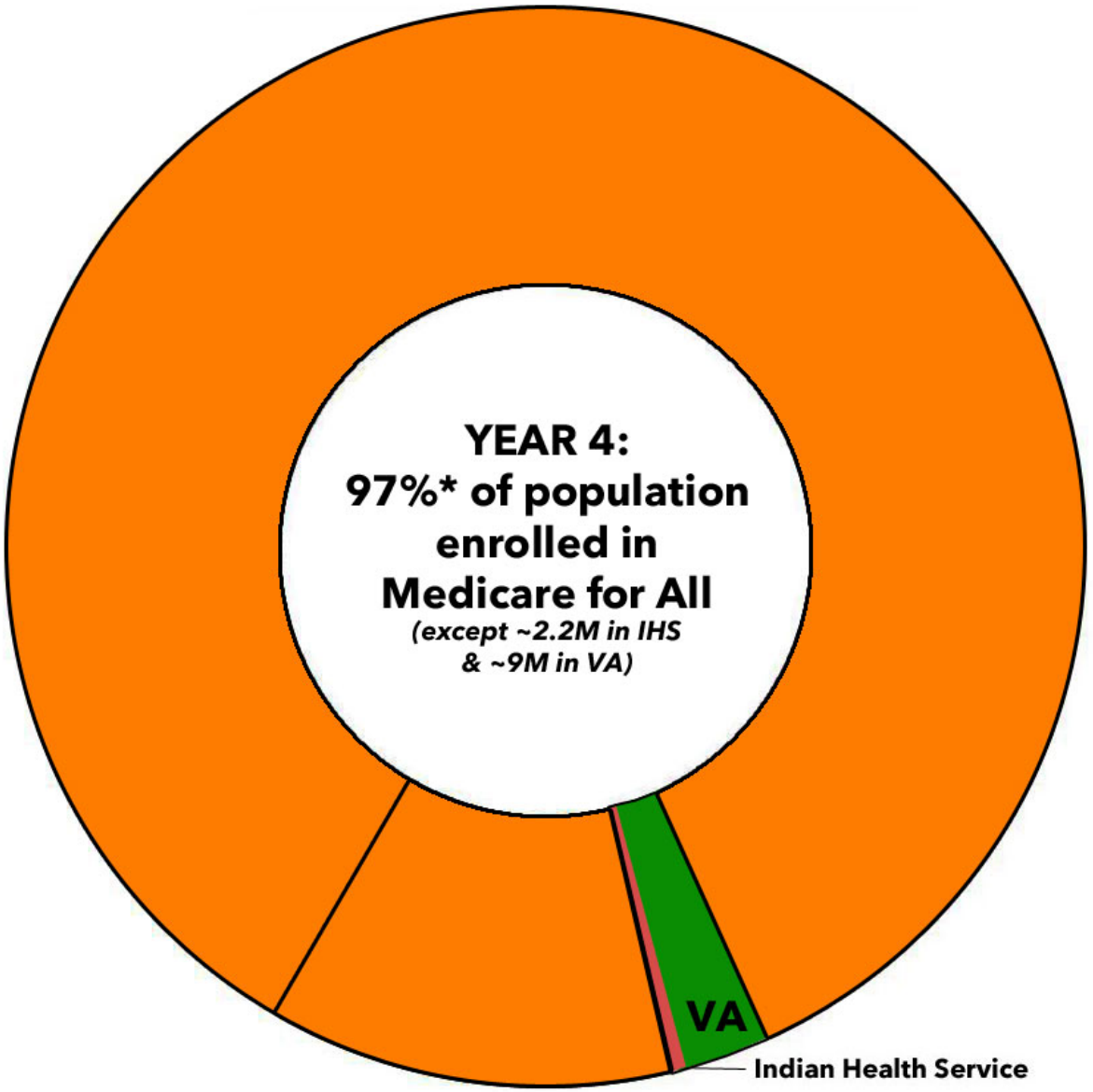
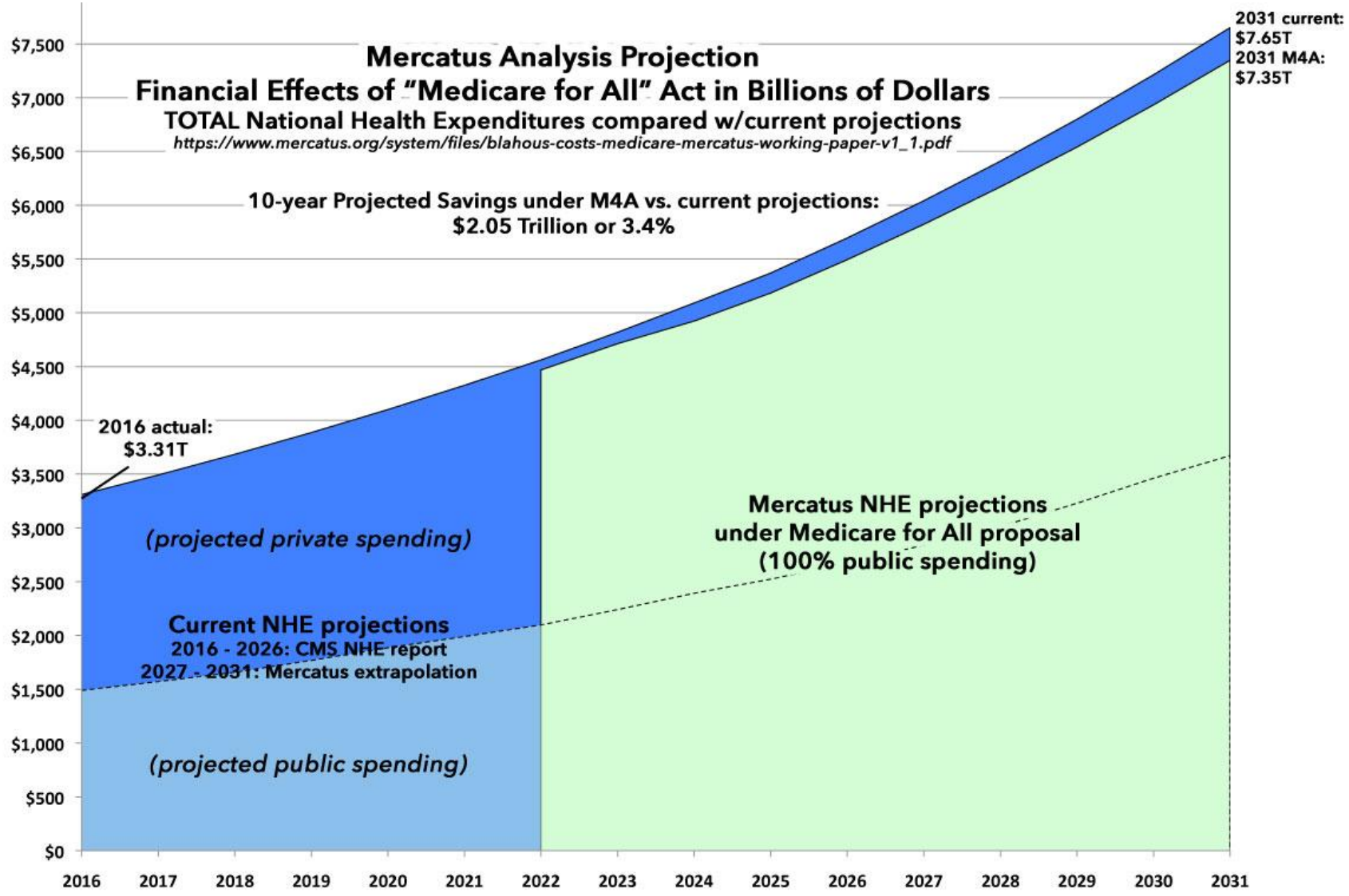
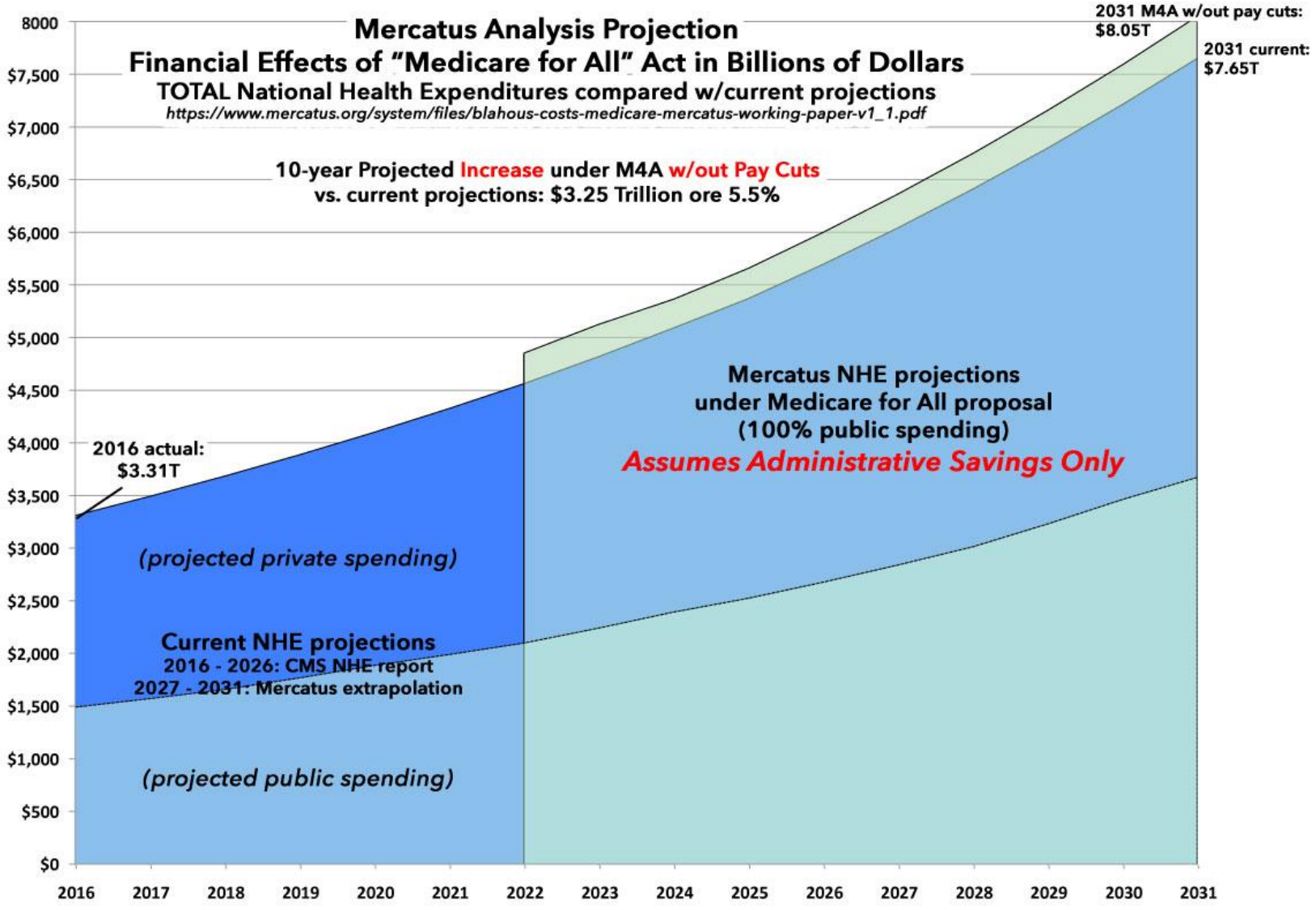




Graph by Charles Gaba / ACASignups.net

Year:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Public Spending (total)	$1,490	*$1,571*	*$1,658*	*$1,768*	*$1,886*	*$1,990*	*$2,099*	*$2,241*	*$2,393*	*$2,524*	*$2,677*	*$2,840*	*$3,013*	*$3,230*	*$3,462*	*$3,672*
Private Spending (total)	$1,821	*$1,921*	*$2,026*	*$2,118*	*$2,214*	*$2,336*	*$2,463*	*$2,578*	*$2,698*	*$2,846*	*$3,019*	*$3,202*	*$3,397*	*$3,569*	*$3,751*	*$3,979*
Total Projected NHE (current):	$3,310	***$3,492***	***$3,684***	***$3,887***	***$4,101***	***$4,326***	***$4,562***	***$4,819***	***$5,091***	***$5,370***	***$5,696***	***$6,042***	***$6,410***	***$6,799***	***$7,213***	***$7,651***
Total Projected NHE (M4A):		*$4,469*	*$4,713*	*$4,923*	*$5,184*	*$5,494*	*$5,823*	*$6,171*	*$6,541*	*$6,933*	*$7,348*					
Projected NHE Savings under M4A:							***$93***	***$106***	***$168***	***$186***	***$202***	***$219***	***$239***	***$258***	***$280***	***$303***
Total 10-Year Projected NHE Savings under M4A ($):																$2,054
Total 10-Year Projected NHE Savings under M4A (%):																3.44%



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Total Projected NHE (M4A):							$4,852	$5,125	$5,364	$5,657	$5,999	$6,363	$6,748	$7,157	$7,590	$8,050
Projected NHE Savings under M4A:							($290)	($306)	($273)	($287)	($303)	($321)	($338)	($358)	($377)	($399)
							Total 10-Year Projected NHE Savings under M4A ($):									($3,252)
							Total 10-Year Projected NHE Savings under M4A (%):									-5.45%