Fix the Damn Healthcare

Sorting Out ACA 2.0, MFA, MED4AM & More!

Where: Room 118c
When: Friday, July 12th, 4:30 PM
Who: Laura Packard
Matthew Cortland
Charles Gaba
Elena Hung
Germán Parodi
Sanjeev Sriram

NETROOTS NATION
THE AFFORDABLE CARE ACT’S THREE-LEGGED STOOL
(ORIGINAL, IDEALIZED VERSION)

CARRIER RESPONSIBILITIES

- Guaranteed Issue
- Community Rating
- Minimum Actuarial Value (60% - 90% Metal Levels)
- 10 Essential Health Benefits
- 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”)

GOVERNMENT RESPONSIBILITIES

- Advance Premium Tax Credits (from 100-400% FPL)
- Cost Sharing Reductions (from 100-250% FPL)
- Health Insurance Exchanges (HealthCare.Gov, CoveredCA, etc.)
- Price Gouging Protection (80/20 MLR Rule)

ENROLLEE RESPONSIBILITIES

Limited-Time Open Enrollment Period
THE AFFORDABLE CARE ACT’S THREE-LEGGED STOOL
(REAL ORIGINAL VERSION)

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ENROLLEE RESPONSIBILITIES

Limited-Time Open Enrollment Period

MAIN PROBLEMS w/ORIGINAL ACA:
1. Subsidies cut off at 400% FPL
2. Subsidy formula not generous enough
3. CSR subsidies cut off at 250% FPL
4. Mandate penalty wasn’t robust enough to make it worth it for many people.

Charles Gaba / ACASignups.net
THE AFFORDABLE CARE ACT’S THREE-LEGGED STOOL
(Additional Ongoing Sabotage Efforts)

Minimum Network Width
("network adequacy rule")

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

Limited-Time Open Enrollment Period

Advance Premium Tax Credits
(from 100-400% FPL)

Silver Loading!

Cost Sharing Reductions
(from 250+ FPL)

Health Insurance Exchanges
(HealthCare.Gov, CoveredCA, etc.)

Price Gouging Protection
(80/20 MLR Rule)

Shared Responsibility Provision
(aka "individual mandate penalty")

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

Trump Admin trying to weaken FPL formula, which would lower subsidy thresholds, thus reducing ACA subsidies

Cut off CSR payments, causing premiums to increase

Slashed HC.gov marketing & Outreach budget 90%

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

Slashed Open Enrollment down from 3 months to 7 weeks

Trump Admin allowing expanded HRAs to allow ACA subsidies to be used for junk plans
Texas vs. Azar aka #TexasFoldEm

20 GOP AGs & Govs; supported by Trump Admin if successful, ENTIRE ACA could be struck down.
Ways to PROTECT, REPAIR and STRENGTHEN the ACA at the federal or state level

- **PROTECT:** Legislation to lock in *existing* ACA patient protections in the even they’re stripped away at the federal level

- **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...many can be done at the state level without federal approval.
“ACA 2.0”

HOUSE: H.R. 1884:
“The Protecting Pre-Existing Conditions and Making Health Care More Affordable Act of 2019”
“#PPECAMHCMAA”

SENATE: S.1213:
Consumer Health Insurance Protection Act
“#CHIPA”
House ACA 2.0 Bill Package H.R. 1884:

1. **PROTECT: H.R. 986**: Reverses Trump Admin’s mutation of 1332 waiver definition which would’ve massively weakened ACA Essential Health Benefit protections & more; *Passed 5/09*

2. **REPAIR: H.R. 987 (MORE Act)**: Restores HC.gov marketing budget to $100M/yr; regulates how it’s used; *Passed 5/17*

3. **REPAIR: H.R. 1386 (ENROLL Act)**: Restores HC.gov’s navigator/outreach budget to $100M/yr; regulates use; *Passed 5/17*

4. **REPAIR: H.R. 1010**: Reverses Trump Admin’s expansion of non-ACA compliant “short-term plans”; *Passed 5/17*

5. **STRENGTHEN: H.R. 1385 (SAVE Act)**: Provides states w/$200M in federal funds to establish state-based ACA exchanges; *Passed 5/17*

6. **STRENGTHEN: H.R. 1425**: Reinstates federal ACA reinsurance program w/$10B/year (*would reduce premiums ~11% on avg.*)
House ACA 2.0 Bill Package H.R. 1884:

- **7. STRENGTHEN:** Fixes ACA “Family Glitch” which prevents families from being eligible for subsidies if 1 member is eligible for any employer-sponsored policy (*could increase enrollment by several million people*)

- **8. REPAIR:** Reverses Trump Admin’s expansion of quasi-ACA compliant “Association Health Plans”

- **9. STRENGTHEN:** Standardized Plans/Silver Spam Loophole Fix: Prevents gaming of ACA benchmark plan framework & reduces confusion for enrollees

- **10. STRENGTHEN:** State Education/Enrollment Innovation Program Funding: Provides $300M/yr to states to help them educate/streamline enrollment in the individual & small group markets

- **11. PROTECT/REPAIR:** Audit HealthCare.Gov’s budget, which Trump Admin has used to *attack* the ACA while simultaneously slashing open enrollment advertising, navigator/outreach & education, etc.
12. H.R. 1868: #KillTheCliffs!

- **Current ACA subsidies:**
  - Those earning 100-400% FPL
    - **Single Adult:** $12.5K - $50K
    - **Family of 4:** $25K - $100K
  - Capped at between 2 – 10% of income

- **PROBLEM #1:**
  - **Lower-end Cliff:** Those earning just over 100% (non-expansion states) or 138% (expansion states) have to pay 2.1% or 3.4% of income to start
  - **Upper-end Cliff:** Those earning just over 400% FPL have to pay **full price**, which averages **over 21% of income** for 60-year old enrollees

- **PROBLEM #2:**
  - Subsidies still not generous enough even for many in the 100-400% range
12. H.R. 1868: #KillTheCliffs!

- Proposed “ACA 2.0” subsidies solve both problems:
  - Removes the upper-end cliff completely
  - Smooths out the lower-end cliff
  - Capped at between 0 – 8.5% of income
- Likely enrollment increase: 4-6 million people
- Eliminates need for confusing “Silver Switching”
- Makes off-exchange ACA enrollment completely unnecessary
- Likely additional cost: Just $10 - $15 billion/year
Net Premium Paid as a % of Income for ACA Benchmark Silver Plan: Current ACA vs. ACA 2.0
30-year old single adult using average 2019 ACA Silver Plan premium compiled by Charles Gaba/ACASignups.net

with a $376/mo benchmark Silver premium, ACA 2.0 saves enrollees up to $89/mo or $1,068/yr.
Net Premium Paid as a % of Income for ACA Benchmark Silver Plan: Current ACA vs. ACA 2.0
40-year old single adult using average 2019 ACA Silver Plan premium
compiled by Charles Gaba/ACASignups.net

with a $423/mo benchmark Silver premium, ACA 2.0 saves enrollees up to $89/mo or $1,068/yr.

Current APTC Formula (ACA)

House ACA 2.0 APTC Formula

current APTC cut-off

Income: $0 $12.5K $25K $37K $50K $63K $75K $87K $100K $112K $125K
Net Premium Paid as a % of Income for ACA Benchmark Silver Plan: Current ACA vs. ACA 2.0
50-year old single adult using average 2019 ACA Silver Plan premium
compiled by Charles Gaba/ACASignups.net

with a $592/mo benchmark Silver premium, ACA 2.0 saves enrollees up to $237/mo or $2,844/yr.

50-year old enrollee:
Would save up to $2,800/year

Current APTC Formula (ACA)

House ACA 2.0 APTC Formula

Income: $0 $12.5K $25K $37K $50K $63K $75K $87K $100K $112K $125K
60-year old enrollee: Would save up to $6,500/year!
S.1213: Consumer Health Insurance Protection Act ("CHIPA")

• Includes 8 major provisions of House version; in addition...

• Upgrades benchmark plan from Silver to Gold, effectively beefing up Cost Sharing Reduction assistance significantly
• Ties Medicare Advantage contracts to exchange participation in low-competition areas
• Adds a $250/mo cap on prescription drug costs
• Increases Individual & Sm. Group MLR from 80% to 85%
• Addresses mid-year formulary bait-n-switch, network changes & treatment droppage
• Requires Open Enrollment to last at least 8 weeks
• Outlaws Surprise Billing (separate bill already in process)
• Eliminates 50% Smoker Surcharge (which has been found to do more harm than good)
Presidential Candidates on ACA 2.0

• Senate version primary sponsor: Sen. Warren
• Co-sponsored by Sen. Sanders in 2018 but not in 2019
• House version co-sponsored by Rep. Moulton
• Biden, Bullock, Delaney & Inslee have indicated strong support of protecting/improving the ACA
• All the other candidates seem to be onboard with ACA improvements
“Medicare for All”

- Sen. Bernie Sanders (D-VT)
  Medicare-for-all bill
- Rep. Pramila Jayapal (D-WA)
  Medicare-for-all bill
- Reps. Rosa DeLauro (D-CT) and Jan Schakowsky’s (D-IL)
  Medicare-for-all bill
- Sens. Jeff Merkley and Chris Murphy’s (D-CT)
  Medicare-for-all bill

“Choose Medicare”

- Reps. Jan Schakowsky (D-IL) and Sen. Sheldon Whitehouse’s (D-RI)
  Medicare buy-in bill
- Sen. Michael Bennet (D-CO)
  Medicare buy-in bill
- Sen. Brian Schatz (D-HI)
  Medicare buy-in bill
- The Urban Institute’s Healthy America proposal
- Sen. Debbie Stabenow (D-MI)
  Medicare-at-50 bill

“Medicare X”

- Rep. Michael Bennet (D-CO)
  Medicare buy-in bill
- Rep. Ben Ray Lujan’s (D-NM)
  Medicare buy-in bill

“State Public Option Act”

- Sen. Tim Kaine (D-VA)
  Medicare buy-in bill

“Healthy America”

- The Urban Institute’s Healthy America proposal

“Medicare 50+”

- Sen. Debbie Stabenow (D-MI)
  Medicare-at-50 bill
DEMOCRATIC PLANS FOR UNIVERSAL HEALTH CARE, COMPARED

GOVERNMENT REGULATES HEALTH CARE PRICES

KEEP EMPLOYER-SPONSORED INSURANCE

Schatz and Lujan
Bennet, Higgins and Kaine
Merkley and Murphy
Schakowsky and Whitehouse

TAX INCREASES

UNIVERSAL COVERAGE

Jayapal and House Progressive Caucus
DeLauro and Schakowsky
Urban Institute
Sanders

ENROLLEE PAYS PREMIUMS

Stabenow

Source: Vox analysis
<table>
<thead>
<tr>
<th>Proposal</th>
<th>Do ALL AMERICANS gain coverage?</th>
<th>Do Americans still get INSURANCE AT WORK?</th>
<th>Do public plan enrollees pay PREMIUMS?</th>
<th>Does it require a TAX INCREASE?</th>
<th>Does the GOVERNMENT REGULATE health care prices?</th>
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</thead>
<tbody>
<tr>
<td>Jayapal (D-WA) and the House Progressive Caucus’s Medicare-for-all bill</td>
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<td>Sanders’s Medicare-for-all bill</td>
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<tr>
<td>DeLauro (D-CT) and Schakowsky’s (D-IL) Medicare for America bill</td>
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<td>✔</td>
<td>✗</td>
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<tr>
<td>Merkley (D-OR) and Murphy’s (D-CT) Medicare buy-in bill</td>
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<tr>
<td>Schakowsky (D-IL) and Whitehouse’s (D-RI) Medicare buy-in bill</td>
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<tr>
<td>Bennet (D-CO), Higgins’s (D-NY) and Kaine (D-VA) Medicare buy-in bill</td>
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<td>Schatz (D-HI) and Lujan’s (D-NM) Medicaid buy-in bill</td>
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<td>Stabenow (D-MI) Medicare-at-50 bill</td>
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Source: Vox analysis
CURRENT BREAKOUT OF HEALTHCARE COVERAGE FOR THE U.S. POPULATION BY TYPE (rough)
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

CURRENT BREAKOUT OF HEALTHCARE COVERAGE FOR THE U.S. POPULATION BY TYPE (rough)

- Large Group
- Small Group
- State & Municipal Employees
- Military (VA & TRICARE)
- Federal Employees (FEHBP)
- Indian Health Service
- Medicare (various categories)
- Dual Eligibles
- Medicaid/CHIP (various categories)
- Individual Market/BHP
- Uninsured (various categories)
- Miscellaneous (Short-Term Plans, Sharing Ministries, Student Plans, etc.)
“Medicare for America”
introduced by Reps. DeLauro & Schakowsky

MEDICARE FOR AMERICA:
YEARS 1 & 2
conceptual only
Charles Gaba / ACASignups.net

“ACA-level” Med4America plan available as public option on ACA individual market only; benchmark plan upgraded from Silver to Gold; CSR subsidies beefed up
“Medicare for America” introduced by Reps. DeLauro & Schakowsky
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iroduced by Reps. DeLauro & Schakowsky
“Medicare for America” introduced by Reps. DeLauro & Schakowsky

Large Employers have option to sponsor Medicare for America for all employees

MEDICARE FOR AMERICA: YEAR 7+ conceptual only
Charles Gaba / ACASignups.net

MUST BE GOLD-LEVEL COVERAGE OR BETTER!

(VOLUNTARILY moved to Med4America)

Sm. Group, Public Employees, VA/TRICARE, IHS

Large Group
“Medicare for America”
WHAT’S COVERED? (just about everything)

- Ambulatory services
- Emergency care/urgent care
- Hospitalization
- Maternity/newborn care
- Behavioral 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
- 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

<table>
<thead>
<tr>
<th>Household Income (FPL)</th>
<th>Premiums (% of income)</th>
<th>Maximum Out of Pocket Costs (individual)</th>
<th>(family)</th>
</tr>
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<tr>
<td>0 - 50%</td>
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<td>50 - 100%</td>
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<tr>
<td>100 - 150%</td>
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<tr>
<td>150 - 200%</td>
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<td>200 - 250%</td>
<td>0 - 1%</td>
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<td>$0 - $500</td>
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<td>250 - 300%</td>
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<td>300 - 350%</td>
<td>2 - 3%</td>
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<td>350 - 400%</td>
<td>3 - 4%</td>
<td>$1,200 - $1,600</td>
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<tr>
<td>400 - 450%</td>
<td>4 - 5%</td>
<td>$1,600 - $2,000</td>
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<td>450 - 500%</td>
<td>5 - 6%</td>
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<td>500 - 550%</td>
<td>6 - 7%</td>
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<td>550 - 600%</td>
<td>7 - 8%</td>
<td>$2,800 - $3,500</td>
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<tr>
<td>over 600%</td>
<td>8%</td>
<td>$3,500</td>
<td>$5,000</td>
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“Medicare for America”
introduced by Reps. DeLauro & Schakowsky

<table>
<thead>
<tr>
<th>Single 30-Year Old Adult, $25,000/year income</th>
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<tbody>
<tr>
<td><strong>System</strong></td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>Current ACA</td>
</tr>
<tr>
<td>Medicare for America</td>
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<table>
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<th>Single 40-Year Old Adult, $40,000/year income</th>
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<th>Single 50-Year Old Adult, $60,000/year income</th>
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<table>
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<tr>
<th>Single 60-Year Old Adult, $90,000/year income</th>
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<tr>
<td><strong>System</strong></td>
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</table>

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
MEDICARE for ALL
HEALTH CARE IS A RIGHT
Medicare For All

Sen. Sanders

14 Co-sponsors for S. 1129
Warren  Merkley
Harris  Leahy
Gillibrand  Markey
Booker  Schatz
Baldwin  Whitehouse
Blumenthal  Udall
Heinrich  Hirono

Rep. Jayapal

114 Co-sponsors for HR. 1384

• 48% of House Dems (and growing)
• Some differences but LOTS of overlap
Medicare For All

- Covers all US residents
- Transitions current Medicare, Medicaid/CHIP, FEHB into MFA.
  - VA & IHS continue as is.
- **HR.1384** timeline:
  - Year 1: enroll everyone under 19 and over 55
  - Year 2: everyone else
- **S.1129** timeline:
  - Year 1: Medicare eligibility age lowered to 55
    - everyone under age 19 can also enroll.
    - workers can buy in.
  - Year 2: eligibility age = 45
  - Year 3: eligibility age = 35
  - Year 4: every US resident auto-enrolled
Medicare For All

- **Upgrades** Medicare to cover comprehensive benefits:
  - all of the ACA’s essential benefits
  - abortion & repro health
  - dental, vision, & hearing
  - long-term services & supports (home and community-based)
  - states can add benefits

- **Paying hospitals & doctors:**
  - HR.1384 sets global budgets
  - S.1129 sets payment rates

- **Medicare would negotiate prices for drugs & devices.**

- **Eliminates nearly all out-of-pocket expenses**
  - No deductibles or copays for medical services.
  - Limited copays for rx drugs to encourage use of generics.
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

INDIVIDUAL MARKET: ~17.6M
(± 800K BHPs)

45
Miscellaneous: ~5M
(Indian Health Service, Student Plans, Christian Sharing Ministries)

Off-Exchange (grandfathered/transitional)

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

Large Employers (large group market)

EMPLOYER MARKET: ~155M

MEDICAID/CHIP: ~74.4M
(~9M dual eligibles)

MEDICARE: ~57M (~9M dual eligibles)

Small Employers (small group market)

Public Employees (FEHB/state/local)

Military (TriCare/VA)
TRANSITION TIMELINE UNDER BERNIE SANDERS’
“MEDICARE FOR ALL” PROPOSAL

CURRENT BREAKOUT OF HEALTHCARE COVERAGE FOR THE U.S. POPULATION BY TYPE (rough)
TRANSITION TIMELINE UNDER BERNIE SANDERS’ “MEDI-CARE FOR ALL” PROPOSAL

YEAR 1:
55 - 64 year olds and children under 18 enrolled in Medicare for All
TRANSITION TIMELINE UNDER BERNIE SANDERS’ “MEDICARE FOR ALL” PROPOSAL

YEAR 2: 45-55 year olds enrolled in Medicare for All
YEAR 3: 35 - 45 year olds enrolled in Medicare for All
TRANSITION TIMELINE UNDER BERNIE SANDERS’ “MEDICARE FOR ALL” PROPOSAL

YEAR 4: 97%* of population enrolled in Medicare for All
(except ~2.2M in IHS & ~9M in VA)

Indian Health Service

VA
Mercatus Analysis Projection
Financial Effects of "Medicare for All" Act in Billions of Dollars
TOTAL National Health Expenditures compared w/current projections


10-year Projected Savings under M4A vs. current projections:
$2.05 Trillion or 3.4%

2016 actual: $3.31T

(projected private spending)

Current NHE projections
2016 - 2026: CMS NHE report
2027 - 2031: Mercatus extrapolation

(projected public spending)

Mercatus NHE projections
under Medicare for All proposal
(100% public spending)

Graph by Charles Gaba / ACASignups.net

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<tbody>
<tr>
<td>Public Spending (total)</td>
<td>$1,490</td>
<td>$1,571</td>
<td>$1,658</td>
<td>$1,768</td>
<td>$1,896</td>
<td>$1,990</td>
<td>$2,099</td>
<td>$2,247</td>
<td>$2,393</td>
<td>$2,524</td>
<td>$2,677</td>
<td>$2,840</td>
<td>$3,013</td>
<td>$3,230</td>
<td>$3,462</td>
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<td>Private Spending (total)</td>
<td>$1,821</td>
<td>$1,927</td>
<td>$2,026</td>
<td>$2,118</td>
<td>$2,214</td>
<td>$2,336</td>
<td>$2,463</td>
<td>$2,576</td>
<td>$2,698</td>
<td>$2,846</td>
<td>$3,019</td>
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<td>$3,397</td>
<td>$3,569</td>
<td>$3,751</td>
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<tr>
<td>Total Projected NHE (current)</td>
<td>$3,310</td>
<td>$3,492</td>
<td>$3,684</td>
<td>$3,887</td>
<td>$4,101</td>
<td>$4,326</td>
<td>$4,582</td>
<td>$4,819</td>
<td>$5,091</td>
<td>$5,370</td>
<td>$5,696</td>
<td>$6,042</td>
<td>$6,470</td>
<td>$6,799</td>
<td>$7,213</td>
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<tr>
<td>Total Projected NHE (M4A)</td>
<td>$4,469</td>
<td>$4,713</td>
<td>$4,923</td>
<td>$5,184</td>
<td>$5,494</td>
<td>$5,823</td>
<td>$6,171</td>
<td>$6,541</td>
<td>$6,933</td>
<td>$7,348</td>
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<tr>
<td>Projected NHE Savings under M4A</td>
<td>$939</td>
<td>$1,068</td>
<td>$1,165</td>
<td>$1,286</td>
<td>$1,435</td>
<td>$1,609</td>
<td>$1,840</td>
<td>$2,113</td>
<td>$2,393</td>
<td>$2,638</td>
<td>$2,903</td>
<td>$3,192</td>
<td>$3,494</td>
<td>$3,812</td>
<td>$4,153</td>
<td>$4,521</td>
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</table>

Total 10-Year Projected NHE Savings under M4A ($) | $2,054

Total 10-Year Projected NHE Savings under M4A (%) | 3.44%
Mercatus Analysis Projection
Financial Effects of "Medicare for All" Act in Billions of Dollars
TOTAL National Health Expenditures compared w/current projections

10-year Projected Increase under M4A w/out Pay Cuts
vs. current projections: $3.25 Trillion or 5.5%
THE AFFORDABLE CARE ACT’S THREE-LEGGED STOOL
(Additional Ongoing Sabotage Efforts)

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Texas vs. Azar
aka #TexasFoldEm

20 GOP AGs & Govs; supported by Trump Admin
if successful, ENTIRE ACA could be struck down.

Minimum Network Width
("network adequacy rule")

Attempting to require insurance carriers
to send out SEPARATE INVOICES of $1.00/month
to cover abortion services portion of premium

GOVERNMENT RESPONSIBILITIES

Trump Admin trying to
CFL formula,
or lower
households,
ACA

Maximizing
No-Cost Preventative
Can Stay on Parents Plan until 26

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

Open Enrollment
Period

Slashed Open Enrollment
down from 3 months to 7 weeks

ENROLLEE RESPONSIBILITIES

Shared Responsibility Provision
(aka "Individual mandate Penalty")

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

Repealed Individual Mandate
Penalty, causing premiums
to increase $580/yr
per enrollee

$580/ea x ~9M = ~$5.2 Billion/yr
"world's most expensive shim"
If Texas vs. Azar (TXvUS) is ultimately successful & the ACA is completely struck down...

Medicaid expansion for over 16 million people? **GONE.**

Premium subsidies for over 9 million people? **GONE.**

Cost Sharing subsidies for over 7 million people? **GONE.**

Basic Health Plan coverage for 800,000 in Minnesota & New York? **GONE.**

Discrimination against up to 130 million w/pre-existing conditions? **BACK.**

Charging women more for the same policy due to their gender? **BACK.**
If Texas vs. Azar (TXvUS) is ultimately successful & the ACA is completely struck down...

Charging older people 5 to 6 times as much as younger people?
   BACK.

Policies required to cover a minimum of 60% of medical expenses?
   GONE.

Policies required to cover maternity care & mental health services?
   GONE.

Adult children allowed to stay on their parents plans until age 26?
   GONE.

Annual and lifetime limits on healthcare coverage claims?
   BACK.

Policies required to cover preventative services at no out-of-pocket cost?
   GONE.
If Texas vs. Azar (TXvUS) is ultimately successful & the ACA is completely struck down...

Tax credits to reduce premiums for low/moderate-income enrollees?  
**GONE.**

Financial help to reduce out-of-pocket expenses for low-income enrollees?  
**GONE.**

Hard maximum cap on in-network out-of-pocket expenses?  
**GONE.**

Closure of Medicare Part D prescription drug “donut hole”?  
**REOPENED.**

**AND MUCH, MUCH MORE.**
Texas vs. Azar CALL TO ACTION: What can YOU do, NOW?

• You can’t do much about how the courts rule. HOWEVER, there’s two things you CAN do:

• 1. DO EVERYTHING POSSIBLE to elect Democrats up & down the ticket in 2019 & 2020 (duh!)

• 2. LOBBY YOUR STATE REPRESENTATIVES, STATE SENATORS & GOVERNORS to REPLICATE as many of the ACA’s protections/provisions at the state level as possible, including...
THE AFFORDABLE CARE ACT’S THREE-LEGGED STOOL
(WHAT CAN STATES DO?)

CARRIER RESPONSIBILITIES

1. lock in as many blue leg protections as possible
2. initiate a mandate penalty at the state level...
3. establish their own state-based exchange...
4. use revenue from both to help fund a robust reinsurance program via 1332 waiver to reduce unsubsidized premiums
5. ...and/or to help fund expanded/increased subsidies

Minimum Network Width (“network adequacy rule”)
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

GOVERNMENT RESPONSIBILITIES

Advance Premium Tax Credits (from 100-400% FPL)
Silver Loading!
Cost Sharing Reductions (from 100-250% FPL)
Health Insurance Exchanges (HealthCare.Gov, CoveredCA, etc.)
Price Gouging Protection (80/20 MLR Rule)

ENROLLEE RESPONSIBILITIES

Limited-Time Open Enrollment Period
How much has YOUR state done to protect/improve the ACA?

- **California**: 12 measures enacted
- **New Jersey**: 9 measures enacted
- **Massachusetts**: 17 measures enacted
- **Rhode Island**: 7 measures enacted
- **Connecticut**: 12 measures enacted
- **New York**: 16 measures enacted
- **Washington State**: 18 measures enacted
- **Colorado**: 13 measures enacted
- **Vermont**: 14 measures enacted
- **New Mexico**: 10 measures enacted
- **Washington, DC**: 11 measures enacted
- **Maryland**: 11 measures enacted
- **Minnesota**: 11 measures enacted
- **Nevada**: 10 measures enacted
Fix the Damn Healthcare
Sorting Out ACA 2.0, MFA, MED4AM & More!

Where: Room 118c
When: Friday, July 12th, 4:30 PM
Who: Laura Packard
Matthew Cortland
Charles Gaba
Elena Hung
Germán Parodi
Sanjeev Sriram

NETROOTS NATION