MEDICARE FOR ALL

What it is, it's impact, and why it can work

John Perryman, MD; PNHP

drjohnperryman@gmail.com; 630-414-6483.

I. Current situation

- The US pays more for health care than every other nation on earth (18% of GDP). This causes severe financial stress at multiple levels (individuals, businesses, local governments)

- The US is the only large, wealthy nation that does not guarantee health care for all its citizens.

- We have worse outcomes than dozens of countries

II. Cost Drivers

- Administrative costs: Commercial insurers have higher administrative costs than Medicare, and must also generate profits. Profit maximization drives their decision making. Dealing with multiple payers adds cost and complexity to providers.

- Drug costs: We pay double the average of other wealthy nations for medication. Medicare can't negotiate drug prices. Pharmaceutical companies have several strategies for profit maximization.

-Costs of services: Hospital admissions, surgeries, tests generally more expensive here

III. Impact of rising costs

- To maintain profitability, insurers have shifted more costs to patients, and set up barriers to care

- Medical costs are a major contributor to bankruptcies, foreclosures and poverty. Tens of millions of Americans are unable to afford the care or medications they need.

- As a result, the US performs worse than dozens of nations in multiple critical areas. The lack of insurance for 28 million people leads to the deaths of over 36,000 Americans every year. We ration care based on the ability to pay.

IV. Medicare for All

- A government funded, national health insurance plan that covers everyone from birth to death. It will cover medical, drug, dental, vision, mental health, and long term care. There are no out of pocket expenses for patients.

- It will be funded using existing revenues going towards Medicare, Medicaid, etc; with additional revenues being generated from a variety of sources. The net result will be savings for 95% of Americans.

- Dozens of studies indicate that savings from a Medicare for All plan would exceed costs. Savings come from lower administrative costs, lower drug costs, more uniform payments for services.

- The costs to businesses (both in time and expense) would be less than purchasing insurance for employees. Entrepreneurs would face less risk if starting a new business. It would provide a competitive advantage for our companies.

- People would have no financial barriers to getting care. People can get the care and treatment they need.

- No one is financially ruined by illness. No one dies from a lack of coverage.

V. Political Considerations

- The problems with alternative plans, especially the Medicare buy-in

- The Partnership for America's Health Care Future- organization formed by lobbyists from insurance, pharmaceutical and hospital lobbies. Goal is to prevent Medicare for All. Big money involved.

- The need for engagement