

# Medicare for All Act of 2019 – H.R.1384

## Facts

- The United States spent \$10,224 per capita on health expenditure in 2017.<sup>1</sup> On average, other wealthy countries pay about half as much and have better health outcomes.<sup>2</sup>
- Even after the implementation of the Affordable Care Act, nearly 30 million Americans are uninsured and an additional 40 million cannot afford the costs of their co-pays and deductibles.<sup>3</sup>
- Administrative costs account for 25% of US health care spending, more than twice the proportion seen in countries like Canada and Scotland.<sup>4</sup>
- A recent report released from the Centers for Disease Control and Prevention (CDC) shows that one-fifth of Americans couldn't afford one or more of the following services: medical care, prescription medicines, mental health care, dental care, or eyeglasses.<sup>5</sup>

## Background

The U.S. spends more on health services than any other country in the world and continues to lag behind on health indicators such as life expectancy and infant mortality.<sup>3</sup> Americans essentially spend more for less. Currently, the U.S. wastes hundreds of billions of dollars every year on unnecessary administrative costs while healthcare industry executives measure success in profits, instead of patient care. The healthcare system is ineffective, inefficient, and too expensive. Everyone deserves to see a physician when they are sick regardless of socioeconomic status, race, gender identity, or any other factors. Our country desperately needs a system that is efficient, affordable, and provides access to all.

## Rationale

**The Medicare for All Act of 2019 (H.R.1384)** improves and expands the Medicare program to ensure all have guaranteed access to healthcare with benefits. This act would simplify the healthcare system by moving to a single-payer model to reduce costs used for unnecessary administrative costs and overhead.



## Medicare for All will provide:

- **Comprehensive health care coverage** including all primary care, hospital, and outpatient services, prescription drugs, dental, vision, audiology, women's reproductive health services, maternity and newborn care, long-term services and supports, prescription drugs, mental health, and substance abuse treatment, laboratory and diagnostic services, ambulatory services and more.
- **Choice of provider:** Patients will be able to choose their doctors, hospitals, and other providers without worrying about whether a provider is "in-network".
- **Long-term care services** for the geriatric population and individuals of all ages living with disabilities.
- **Health care with no premiums, co-pays, or deductibles:** This legislation would remove out-of-pocket expenses such as co-pays.
- **Reduce overall healthcare spending and improve efficiency:** Medicare for All would eliminate the "middlemen" such as the private insurance industry and transition to a single-payer system. This will reduce all administrative costs and inefficiencies associated with a multi-payer system.
  - Global budgets would be applied to institutional providers to help contain the exorbitant costs present in the system today and will provide transparency.
- **Lower prescriptions costs:** Under Medicare for All, Medicare would be allowed to negotiate for lower drug prices. This legislation will also authorize Medicare to issue compulsory licenses to allow generic production if a pharmaceutical company refuses to negotiate a reasonable price.
- **Healthcare for Veterans and Native Americans:** Veterans and Native Americans can continue to receive their medical benefits and services through the Veterans Administration, and the Indian Health Service, respectively.

## AMSA Policy Recommendation

**AMSA strongly urges Congress to support and pass the Medicare for All Act of 2019 (H.R.1384) to prevent healthcare corporations from overcharging for health services and provide access to quality, affordable, equitable, and sustainable health care for all.**

### Sources:

1. How does health spending in the U.S. compare to other countries? Peterson-Kais Health Syst Tracker. <https://www.healthsystemtracker.org/chart-collection/health-spending-u-s-compare-countries/>.
2. How does the quality of the U.S. healthcare system compare to other countries? Peterson-Kais Health Syst Tracker. <https://www.healthsystemtracker.org/chart-collection/quality-u-s-healthcare-system-compare-countries/>.
3. A Comparison of Hospital Administrative Costs in Eight Nations: U.S. Costs Exceed All Others by Far | Commonwealth Fund. <https://www.commonwealthfund.org/publications/journal-article/2014/sep/comparison-hospital-administrative-costs-eight-nations-us>.
4. Health, United States, 2017. /nchs/hsr.htm. Published September 19, 2018.