



MEMORANDUM

Date: December 10, 2019

To: Residential Eating Disorders Consortium

From: Center Road Solutions

RE: House Energy & Commerce Committee (Subcommittee on Health) Hearing “Proposals to Achieve Universal Health Care Coverage”

On December 10, the House Energy & Commerce Committee held a hearing entitled, “Proposals to Achieve Universal Health Care Coverage,” which examined different legislative proposals including H.R. 1277 (State Public Option Act), H.R. 1346 (Medicare Buy-In and Health Care Stabilization Act of 2019), H.R. 1384 (Medicare for All Act of 2019), and other proposals that expand healthcare coverage. Supporters of expanding healthcare coverage to more Americans lauded the successes of the ACA, but stressed the need to expand coverage to all, for both cost and moral reasons. Others expressed skepticism, arguing that these plans are financially unsustainable and would diminish quality of care for all.

Key Takeaways:

- There are many proposals on the table. While the Medicare for All Act (M4A) led by Rep. Jayapal (D-WA) and Sen. Sanders (I-VT) is the best known, there are also proposals on the table to extend Medicare to first responders, establish a public option, and lower the Medicare eligibility age.
- Critics of these types of proposals point to failures they see in other single-payer systems, they believe many rural hospitals will close, life-saving drugs won't be as available, and costs will be unsustainable in the long run.
- Supporters of these proposals argue that they would lower healthcare costs in the long-term, establish healthcare as a human right, and prevent bankruptcy caused by medical bills, although they disagree on the exact solution.

PANEL 1

Hearing Summary/Opening Statements:

(Subcommittee Chairwoman) Rep. Anna Eshoo (D-CA):

- Today's hearing features House members who will present their legislative proposals for universal healthcare.
- Some called Medicaid and Medicare socialized medicine when they were introduced.
- Ted Kennedy described this as a moral issue and said that the character of our country is at stake, he's right.

(Subcommittee Ranking Member) Rep. Michael Burgess (R-TX)

- Every bill listed is paving the road to one-size-fits-all healthcare, which would disintegrate the US health system.
- Concerned about existing Medicare beneficiaries, and the Medicare Trust Fund, which is going bankrupt in 2026.
- We should strengthen existing parts of health insurance markets that are working, not tear it all down.
- H.R. 1510, Premium Relief Act, which he introduced, includes reinsurance and a structural reform of the ACA.

(Committee Chairman) Rep. Frank Pallone (D-NJ)

- ACA expanded Medicaid, prevented the denial of coverage based on pre-existing conditions, 20M gained coverage.
- We would be close to universal coverage without the refusal of Republican governors to expand Medicaid coverage and other sabotage efforts by the Republicans. If we had passed the public option, we would be even closer.
- We need to build on the success of the ACA to lower costs and increase coverage and make healthcare a right.

(Committee Ranking Member) Rep. Greg Walden (R-OR)

- This committee has led efforts such as the bipartisan 21st Century Cures, now efforts for a Cures 2.0 is underway.
- Medicare for All would take away insurance from 180M Americans, take away negotiated union healthcare.
- The plan is costly and confusing, think tanks on both sides estimate it would cost between \$20T and \$50T.
- He does support serious reforms to the existing system, just not a complete “government takeover.”

Witnesses:

Rep. Rosa L. DeLauro (D-CT)

- Here advocating for the Medicare for America Act of 2019 ([H.R. 2452](#)), which moves those enrolled on the individual exchanges onto Medicare for America, and those on CHIP and Medicaid are transitioned over time.
- Those with employer-sponsored coverage can keep it, or employers can enroll employees in Medicare for America.

- For those living under 200% of the Federal Poverty Line (FPL), they will have no premiums or cost sharing, and no costs for children ever.

Rep. Pramila Jayapal (D-WA) ([Testimony](#))

- Proud to have introduced the Medicare for All Act of 2019 ([H.R. 1384](#)), 119 cosponsors, over half of Dem Caucus.
- We spend 18% of GDP on health, which is double what other industrialized countries spend, but 70M uninsured.
- Only bill that covers everyone, provides comprehensive benefits, and lower costs by taking on private insurance.
- All studies including Koch Brothers studies say this plan will cost less in the long run than current system.

Rep. Brian Higgins (D-NY) ([Testimony](#))

- Proud supporter of the ACA, but the ACA was a first step, still need to move past private insurance domination.
- His bill ([H.R. 1346](#)) would allow those between 50-65 to buy into Medicare, which is widely popular with users and providers.
- RAND says that 6M Americans would take advantage of this plan, that's 14k people per congressional district.

Rep. Antonio Delgado (D-NY) ([Testimony](#))

- Sponsor of Medicare-X Choice Act ([H.R. 2000](#)), which uses a public option to get to universal healthcare coverage.
- Public option would be available in the marketplace to anyone, public competitor would help lower costs for all.
- His bill would require Medicare to negotiate drug prices, bill would end subsidy cliff for those above 400% of FPL and authorize \$30B over 3 years for a national reinsurance program.

Rep. Tom Malinowski (D-NJ) ([Testimony](#))

- Expanding Health Care Options for Early Retirees Act ([H.R. 4527](#)) would allow retired first responders, who retire earlier due to the tough nature of their jobs, to buy into Medicare starting at 50, instead of draining their pensions.
- Supported by International Association of Firefighters, Fraternal Order of Police, and other relevant associations.
- I think everyone who wants Medicare should have access, but let's focus first on the few who risk their lives for us.

PANEL II

Sara Rosenbaum, Harold and Jane Hirsh Professor of Health Law and Policy, George Washington University Milken Institute School of Public Health ([Testimony](#))

- ACA extended healthcare coverage to millions and made coverage more comprehensive, but now we are sliding back, percentage of uninsured is rising as the Administration has taken a number of steps to weaken the ACA.
- Short term challenges: re-incentivize Medicaid expansion and stabilize the ACA insurance marketplace.
- Long term questions: Best mix of public/private insurance? Maintain employer insurance system? Auto-enrollment?

Peter Morley, Patient Advocate ([Testimony](#))

- He's had a long healthcare journey, been chronically ill for years and had to undergo a great number of surgeries.
- This has only been affordable thanks to the fact that he can't be denied coverage for his pre-existing conditions.
- When Trump began the effort to repeal the ACA, he became an advocate, has been to DC 27 times to lobby.
- He is here to urge the committee to protect the ACA, enhance it, and move forward toward universal coverage.

Jean Ross, President, National Nurses United ([Testimony](#))

- Patchwork health system of public programs and private for-profit insurers that we currently have in the United States is ineffective, inefficient, and unjustifiably unaffordable for our patients and for our country.
- Only way to guarantee every person receives proper healthcare is by adopting a Medicare for All system, specifically she thinks the only bill that can accomplish this is the Medicare For All Act of 2019.
- She has countless stories from her time as a nurse and in her own family where she witnessed the failure of the healthcare system, patients refusing medication and treatment that they need because they cannot afford it.

Douglas Holtz-Eakin, President, American Action Forum ([Testimony](#))

- Medicare for All Act of 2019 is unlike anything ever seen in the rest of the world, others don't ban private insurance, eliminate the role of state/local governments, or completely ban copays. Truly sweeping change.
- Quality of care and accessibility would diminish, many hospitals would become financially unsustainable.
- Would advise a different approach, target those without coverage options, i.e. those in Medicaid coverage gap.

Scott W. Atlas, David and Joan Traitel Senior Fellow, Hoover Institution, Stanford University ([Testimony](#))

- The attractiveness of Medicare for All type proposals is that they provide a simple solution to a complex problem.
- Criticism of these proposals should be sourced from the real problems in countries such as Canada and UK, should focus on long wait times, delayed release of life-saving medication, lack of care options and facilities.

- Public option is a bad idea, public insurance expansion only erodes private insurance and causes premium spikes.

Q&A Session:

- **Rep. Anna Eshoo (D-CA):** What in today's proposals will best help us achieve universal coverage?
 - **Ms. Rosenbaum:** Combination of strong public insurance options with comprehensive private options.
 - **Mr. Morley:** Anything in any of the proposals that moves us towards universal coverage.
 - **Ms. Ross:** We appreciate the ACA; now we need to eliminate barriers to care and only M4A does that.
 - **Mr. Holtz-Eakin:** Need genuine delivery system reform to make gains in coverage sustainable.
 - **Mr. Atlas:** Goal should be to reduce the cost of medical care, empower patients, and eliminate regulation.
- **Rep. Burgess (R-TX):** What would happen in a world with no cross-subsidization?
 - **Mr. Holtz-Eakin:** Many institutions run negative Medicare margins, M4A risks the financial sustainability of the healthcare system, rural hospitals might not be able to pay the bills.
- **Rep. Frank Pallone (D-NJ):** Why are some states still rejecting Medicaid expansion?
 - **Ms. Rosenbaum:** Deep philosophical difference with the expansion, can't be cost reasons.
- **Rep. Castor (D-FL):** What stands out to you most regarding achievements of the ACA?
 - **Ms. Rosenbaum:** The effects of the affordability provisions and pre-existing condition reform.
- **Rep. John Carter (R-TX):** H.R. 3 would prevent life-saving drugs from reaching market, can you speak to the availability of these drugs in other countries with single-payer systems? Also, I'm the only former pharmacist here.
 - **Dr. Atlas:** For them it's about minimizing costs, reducing availability of costly drugs is key to that.
- **Rep. Gus Bilirakis (R-FL):** Can it be guaranteed that M4A won't lead to tax hikes on the middle class?
 - **Dr. Holtz-Eakin:** The bill itself is silent on the issue, I think it's impossible to think a small group of affluent Americans could foot the entire bill, the cost is simply too much.
- **Rep. Robin Kelly (D-IL):** I saw you shaking your head, would you like to comment on the rural hospitals issue?
 - **Ms. Hill:** Reason for those hospital closures is the failure to expand Medicaid and for-profit motive that leads hospital boards to move to more profitable areas. M4A has special projects budget to address this issue.
- **Rep. Barragan (D-CA):** What do you say to those that argue unions are against M4A?
 - **Ms. Hill:** Many union members don't like health benefits dominating negotiations with employers, and they would like to be able to switch jobs without worrying about health insurance.