H.R. 676
The United States National Health Insurance Act
(Expanded and Improved Medicare For All)

"We will never be able to control health care costs and provide quality health care to all Americans unless we establish a universal health care system with single payer financing."

- Dr. Marcia Angell

The United States National Health Insurance Act will:

- Establish a unique American **single-payer** health care system
- Create a **publicly financed and privately delivered** health care program
- Expand and improve the existing Medicare program for all U.S. residents, and all residents living in U.S. territories

Goals of H.R. 676

To ensure that all Americans have:

- A single standard of high-quality, affordable health care guaranteed by federal law
- Access to health care services whenever medical attention is needed, including preventative care, regardless of employment, income, or health status
- A health care system where clinical decisions are made by physicians, not profit-driven corporations

The Bottom Line

- **47 million** Americans are uninsured and another **50 million** are under-insured.

- The time has come to change our inefficient, costly and fragmented "non-system" of health care.

Who is Eligible?

- Every person living in the United States is eligible from birth throughout life

- Every person living in the United States and the U.S. Territories would receive a United States National Health Insurance Card & ID number once enrolled

Enrolling in the United States National Health Insurance Program

- U.S. citizens will automatically receive a National Health Insurance card in the mail

- U.S. residents may fill out a brief 2 page application at the office of any hospital, health clinic, physician office or post office

Accessing Healthcare Services under H.R. 676

- All patients are presumed eligible to receive services, even if not carrying card at time of need

- Patients will be able to seek treatment from the physician, clinic or hospital of their choice

Benefits/Portability

Patients have unlimited choice of physicians, hospitals, and clinics regardless of location USNHI will cover all medically necessary services, including:

- preventative care
- primary care
- inpatient hospital care
- outpatient care
- emergency care
- prescription drugs
- durable medical equipment
- long term care
- mental health services
- dentistry
- eye care
- substance abuse treatment

Who Will Administer the new Medicare For All Program?

- The current Medicare program will administer the new Expanded and Improved Medicare for All program
- The national director of the Medicare For All Program will be responsible for overall program administration
- Regional offices will negotiate reimbursement levels and coordinate service delivery subject to federal guidelines
- State Medicare directors will ensure maximum input by local physicians, nurses and other healthcare providers

How Physicians are Paid Under H.R. 676

- Reimbursement of physicians will be based on what the medical profession deems to be fair after negotiations with the Medicare For All Program

- Current prevailing fees or reimbursements will be the starting point for fee negotiations

- Physicians will be reimbursed by the Medicare For All Program within 30 days of submitting bill electronically

How Hospitals are Paid Under H.R. 676

- The Medicare for All Program will provide hospitals a monthly global budget based on past expenditures, delivery of high-quality services, and needs of the population being served

- Hospitals, long-term care centers, and community clinics can receive additional funding in order to operate at optimal levels

- To avoid duplication, regional and local planning will help ensure efficient and cost-effective services

Ensuring the Highest Quality Care

A National Board of Universal Quality and Access will advise the President and Congress twice yearly on:

- Access to care
- Quality Improvement
- Administrative efficiency
- Adequacy of budget and funding
- Reimbursement levels
- Capital expenditure needs
- Long-term care
- Mental health and substance abuse services
- Staffing levels and working conditions

Cost Containment Provisions: New Role for Private Insurers

- Private health insurers are prohibited from selling coverage that duplicates the benefits of the Medicare for All program

- Eliminating these "multiple payers" will lower health care costs by establishing the largest possible insurance risk pool and reducing administrative costs, which currently account for 30% of U.S. health spending (as compared with 3.6% for Medicare and 1.3% for Canada's single-payer system)

- Private health insurers will be allowed to sell coverage for any additional benefits not covered by this Act; examples include cosmetic surgery, acupuncture, holistic medical services, etc.

Transition to Single Payer Financing

- Private health insurers employ approximately 470,000 people nationwide
- Personnel whose jobs are eliminated due to reduced administration will have the first priority in retraining and job placement in the new Medicare for All system
- Those employees who are not rehired will be eligible for 2 years of unemployment compensation

Cost Containment Provisions: Non-Profit Health Care

- For-profit, investor-owned hospitals, HMOs and nursing homes have higher costs and score lower on most measures of quality than their non-profit counterparts

- In order to reduce costs and improve quality, only non-profit providers will be eligible to participate in the Medicare for All program

- Hospitals and clinics that were formerly investor-owned must convert to non-profit status in order to be reimbursed by the program

Conversion to a Non-Profit Health Care System

- Conversion to not-for- profit health care system will take place over a 15 year period, through the sale of U.S. treasury bonds

- Funds will be allocated to reimburse financial stakeholders for newly purchased buildings and equipment, but not for anticipated lost profits

- Under H.R. 676, the government **does not** purchase hospitals or insurance companies. Health care facilities will continue to be privately operated

Financing H.R. 676

The Bottom Line:

By using our health resources more efficiently, we can provide all Americans comprehensive, high-quality health care without spending any more than we do now.

Financing H.R. 676

- The two big questions:
- How much will it cost?
- How will we pay for it?

How Much Will H.R. 676 Cost?

- We estimate total national health expenditures under H.R. 676 will be equal to the current level of spending.

- Many studies (CBO, GAO, EPI, Lewin), as well as the experience of other nations, show that total health care costs will be equal to the current level or may even decrease.

- Spending will not increase because the cost savings from a single payer financing structure will offset the costs of covering the uninsured.

How Much Will It Cost?

- The federal government projects that total national health spending in 2010 will be approximately $2.8 trillion.

- Total national health spending includes expenditures by federal, state and local governments, businesses, families and individuals.

- We use the 2010 number to account for a period of adjustment to the new system.

How Much Will it Cost?

- H.R. 676 changes the sources of funding for our health care system.

- So, while the nation as a whole will spend about the same, families and businesses will spend less on health care than they do now.

Family Health Care Budget

(based on annual median income for a family of four with employer-based coverage)

CURRENT SYSTEM

Health insurance premiums	$2713
Out of pocket costs	$1522
1.45% Medicare payroll tax	$815
TOTAL	**$5040**

H.R. 676

4.75% Health Care Payroll Tax	$2700
Out of Pocket Costs	$380
TOTAL	**$3080 = 40% less**

How Will We Pay for It?

H.R. 676 is paid for in two ways:

- Cost Savings
- Revenue Measures (Existing and New)

Cost Savings Under H.R. 676

- Single payer saves money by:
- Getting rid of insurance company bureaucracy and paperwork
- Leveraging the buying power of the federal government to get low prices on prescription drugs and medical equipment (imaging, etc)
- Global budgets, non-profit status
- Emphasizing low-cost preventive care to avoid expensive medical emergencies

Total Annual Savings Under H.R. 676

- Administrative $278 billion
  (paperwork, profits, marketing)

- Bulk purchasing:
  Prescription Drugs $87 billion
  Non-Durable Medical Supplies $13 billion
  Durable Medical Equipment $9 billion

TOTAL ANNUAL SAVINGS $387 billion

Revenue Measures

The Improved and Expanded Medicare for All program will have two funding sources:

- Federal Trust Fund with a dedicated revenue stream
- Additional annual federal appropriations to ensure optimal funding of the Program

Revenue: Existing Sources

Public Expenditures

- Federal (Medicare, Medicaid, DSH, etc) $957 b
- State and Local (Medicaid, etc) $348 b

TOTAL **$1.305 trillion**

Revenue: New Sources

- Payroll Tax $538 billion

  (3.3% additional on employer/employee; total 4.75% including existing Medicare tax)
- Stock Transfer Tax $150 billion

  (0.25% on seller and buyer)
- Reduce Corporate Welfare $100 billion
- Reverse Bush Tax Cuts $251 billion
- Tax Surcharge $200 billion

  5% on Richest 5%; 10% on Richest 1%

TOTAL **$1.259 trillion**

Total Savings and Revenue are Enough to Cover Total Spending

- Savings $387 billion
- Revenue:

  Existing Revenue $1,305 billion

  New Revenue $1,259 billion

TOTAL (Savings and Revenue) $2.951 trillion

TOTAL PROJECTED SPENDING $2.776 trillion

Frequently Asked Questions on H.R. 676

Q: Health care is very expensive. How can we afford to cover all Americans with high-quality health care?

A: We already spend enough to cover everybody; our system is just incredibly wasteful.

Other industrialized countries spend half to two-thirds of what we do while covering everyone and getting better health outcomes.

(We spend 60% more per capita on health care than Canada.)

H.R. 676 FAQs

Q: Won't a single payer system create long waiting lines and rationing of health care?

A: We already ration health care in this country.

As long as we adequately fund the system so that we have adequate doctors, nurses, hospitals and health care infrastructure, there will not be waiting lines.

(We spend 60% more per capita on health care than Canada.)

H.R. 676 FAQs

Q: Won't H.R. 676 establish a government-run health system?

Q: Will I still get my choice of doctor or provider?

A: Under H.R. 676, care is still delivered by the private sector. The role of the government is limited to financing and coordination.

A: You can go to the doctor or provider of your choice under H.R. 676. Is this the case with your present insurance plan?

H.R. 676 FAQs

Q: Won't the overall quality of the health care system go down under a single payer system?

A: As long as there is sufficient investment in our health care system, America's high-quality health care system will continue to exist – but it will now be accessible to all, not just to those who can afford it.

The Trust Fund mechanism established by H.R. 676 protects our nation's investment in health care.

H.R. 676 FAQs

Q: Shouldn't we look for a market solution to solve our nation's health care problems?

A: We have had a market-run health care system for the last several decades.

The result: skyrocketing health care costs and growing numbers of uninsured.

The market has failed to provide health care for Americans. It's time for America to adopt the approach that works for the rest of the industrialized world: single payer.