

Medicare-for-All and Other Public Plan Options: Implications for Older Adults

Tricia Neuman, Sc.D.

Senior Vice President and Director, Program on Medicare Policy
Kaiser Family Foundation
TNeuman@kff.org | @tricia_neuman

June 6, 2019

Health and Aging Policy Fellows Spring Symposium



Filling the need for trusted information on national health issues.

There are five general approaches involving public plans

#1	#2	#3	#4	#5
Medicare-for-all	Public Program with Opt Out	Federal Public Plan Option	Medicare Buy-In (50-64)	Medicaid Buy-In
<p>Medicare for All Act of 2019 (Rep. Jayapal)</p> <p>Medicare for All Act of 2019 (Sen. Sanders)</p>	<p>Medicare for America Act of 2019 (Rep. DeLauro and Rep. Schakowsky)</p>	<p>Keeping Health Insurance Affordable Act of 2019 (Sen. Cardin)</p> <p>Medicare-X Choice Act (Sens. Bennet and Kaine/ Rep. Delgado)</p> <p>The CHOICE Act (Rep. Shakowsky/Sen. Whitehouse)</p> <p>Choose Medicare Act (Sen. Merkley & Rep. Richmond)</p>	<p>The Medicare at 50 Act (Sen. Stabenow)</p> <p>Medicare Buy-In Act of 2019 (Rep. Higgins)</p>	<p>State Public Option Act (Sen. Schatz/Rep. Luján)</p>

Medicare-for-all

Sen. Sanders & Rep. Jayapal

- Cradle to grave coverage for all U.S. residents in one new “Medicare” program
- Replaces all other sources of coverage (except Veterans Administration, Indian Health Service)
- No premiums, deductibles or cost sharing (modest copays for prescription drugs in Sanders)
- Comprehensive benefits, including long-term services & supports
- Provider payments based on Medicare rates
- Government negotiates prescription drug prices
- Global budgets
- Federal financing--to be determined

Public Program with Opt Out (Medicare for America)

Rep. DeLauro & Rep. Schakowsky

- Federal public program (Medicare-for-America) for all US residents, unless they opt out for qualified coverage
- New public program replaces Medicare, Medicaid, CHIP and individual insurance
- Employers may provide qualified coverage or purchase Medicare-for-America for their employees; employees can elect Medicare for America instead of employer plan
- No premiums < 200% federal poverty level (FPL); income-related premiums above 200% FPL
- No cost sharing below 200% FPL; out-of-pocket limits up to \$3,500/individual and \$5,000/couple
- Comprehensive benefits including long-term services and supports
- Provider payments rates based on Medicare or Medicaid rates, whichever is greater

Federal Public Plan Options

Sen. Cardin; Sen. Merkley; Sen. Bennet; Rep. Schakowsky

- Establishes a federal public “Medicare” as an option; retains other sources of coverage
- Features of public plan differ across proposals:
 - ✓ Eligibility criteria
 - ✓ Benefits; cost-sharing and subsidies
 - ✓ Premiums, rating rules and subsidies
 - ✓ Provider payment rates
- Proposals also differ in other changes:
 - ✓ Changes to ACA marketplaces (e.g., cost-sharing subsidies)
 - ✓ Changes to current Medicare program

Medicare Buy-In for People Ages 50-64

Rep. Higgins & Sen. Stabenow

- **Not the same as simply lowering the age of Medicare eligibility**
- 50-64 year olds have option to buy into a new Medicare program for younger adults
- Premiums set to cover 100% of benefit & administrative costs for buy-in population
- Medicare benefits and cost-sharing (plus new public Medigap option under the Higgins bill)
- ACA premium tax credits & cost-sharing subsidies applied to Medicare buy-in program
- Medicare providers and payment rates
- Secretary negotiates prescription drug prices
- No other changes to current Medicare program (firewall)

Medicaid Buy-In

Sen. Schatz & Rep. Luján

- Gives states the option to provide a public plan option based on Medicaid
- Eligible individuals can buy into the Medicaid plan through the marketplace
- Benefits-- ACA benefits (10 Essential Health Benefits) or broader
- Premiums set by states to be actuarially fair; no more than 9.5% of income
- Applies ACA premium tax credits & cost-sharing subsidies
- Uses Medicaid providers and payment rates, except Medicare rates for primary care
- Extends 100% Federal matching rate for states newly adopting Medicaid expansion

Resources on KFF.org

- ✓ Compare Medicare-for-all and Public Plan Proposals
- ✓ Medicare-for-all and Public Plan Buy-In Proposals: Overview and Key Issues
- ✓ Public Opinion on Single-Payer, National Health Plans, and Expanding Access to Medicare Coverage
- ✓ How Affordable are 2019 ACA Premiums for Middle-Income People?

Thank you.