What does Medicare for All mean?

	The Basics	Potential Benefits	Potential Drawbacks/Open Questions
Medicare for All	A single national health insurance program, excluding undocumented immigrants, for all U.S. residents	No/low cost sharing; no premiums; life-time enrollment; prohibitions on balance billing; "efficient" administration; simplicity for patients; provider protections, such as prompt payment	Extreme disruption of employer-provided coverage system; unreliability of government funding; potential for politicization; lack of focus on addressing cost drivers rather than prices; funding limitations could result in limiting care or services; current benefit design is inappropriate for many populations, such as children and low-income residents
Medicare Public Option	A public plan option, excluding undocumented immigrants, to cover the vast majority of U.S. residents	One-year enrollment; flexible premiums based on geography, other factors; cost-sharing subsidies; less dramatic disruption to health care industry	No specific prohibition on balance billing, though Medicare currently bans the practice; out-of-pocket limits could be high; uncertain annual premium amounts; lack of focus on addressing cost drivers rather than prices
Medicare Buy-in Option	A Medicare buy-in option, excluding undocumented immigrants, for older adults not yet eligible for Medicare	Extends Medicare eligibility to people 50/55 or older; greater premium reliability year-to-year; subsidies available	No specific prohibition on balance billing, though Medicare currently bans the practice; out-of-pocket limits could be high; uncertain annual premium amounts; lack of focus on addressing cost drivers rather than prices
Medicaid Buy-in Option	A Medicaid buy-in option, excluding undocumented immigrants, that states can elect to offer to people through the ACA marketplace	One-year enrollment; premiums set by states with some caps; states must pay providers at least Medicare rates; could help reduce churn in coverage; may encourage innovative care models	Potentially high out-of-pocket limits; no specific prohibition on balance billing

CALIFORNIA HOSPITAL ASSOCIATION

California Hospital Association
1215 K Street, Suite 800
Sacramento, CA 95814
(916) 443-7401 | www.calhospital.org

Anne O'Rourke
SVP, Federal Relations
(202) 488-4494 | aorourke@calhospital.org

What does Medicare for All mean?

FAQs

Q. How would Medicare for All affect coverage? Lots of folks like their employer-sponsored coverage and aren't interested in giving that up.

A. Medicare for All, specifically, would eliminate employer-sponsored coverage and create a single, government-run insurance program. Other coverage expansion proposals, often conflated with Medicare for All, would affect employer-sponsored coverage to a lesser degree. Depending on whether enrollment is mandatory, coverage rates could be affected.

Q. Medicare for All sounds like an expensive program. How much would it cost, actually?

A. Estimates are as high as $32 trillion over 10 years. Current proposals do not identify a financing mechanism, but it would likely require some combination of new taxes and employer contributions.

Q. What would funding Medicare for All mean for taxpayers?

A. Depending on how the financing structure is established, taxes or contributions from people who currently have employer-sponsored health insurance could increase.

Q. How would Medicare for All affect the affordability of coverage for consumers?

A. It's a bit murky. While on its face, this proposal could lower premiums and out-of-pocket costs, many working Americans and businesses could see tax increases to help fund the program.

Q. How would Medicare for All address the needs of specific populations (children, women of reproductive age, and people with disabilities and high health care needs, for example)?

A. Different versions of the proposal cover different services. Some might fall short for these populations.

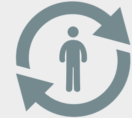
Q. Could individuals still have access to their established hospitals, physicians, and other providers?

A. Not necessarily. While some versions of the Medicare for All proposal allow all state-licensed providers to participate, one exempts for-profit facilities entirely. In addition, the tradition of underfunding by the Medicare program for providers could lead to significant closures or reductions in the types of services provided.

Q. To what extent do these proposals help achieve the goal of universal coverage?

A. Without an explicit mandate or auto-enrollment, many of these proposals would fall short of that goal.

COMMON TERMS



Universal Coverage: A health care system in which every individual has health coverage. There are many paths to achieve universal coverage, each with its own advantage and drawbacks.

Single-payer: A system in which there is one entity – usually the government – responsible for paying health care claims.

CALIFORNIA HOSPITAL ASSOCIATION

California Hospital Association
1215 K Street, Suite 800
Sacramento, CA 95814
(916) 443-7401 | www.calhospital.org

Anne O'Rourke
SVP, Federal Relations
(202) 488-4494 | aorourke@calhospital.org