

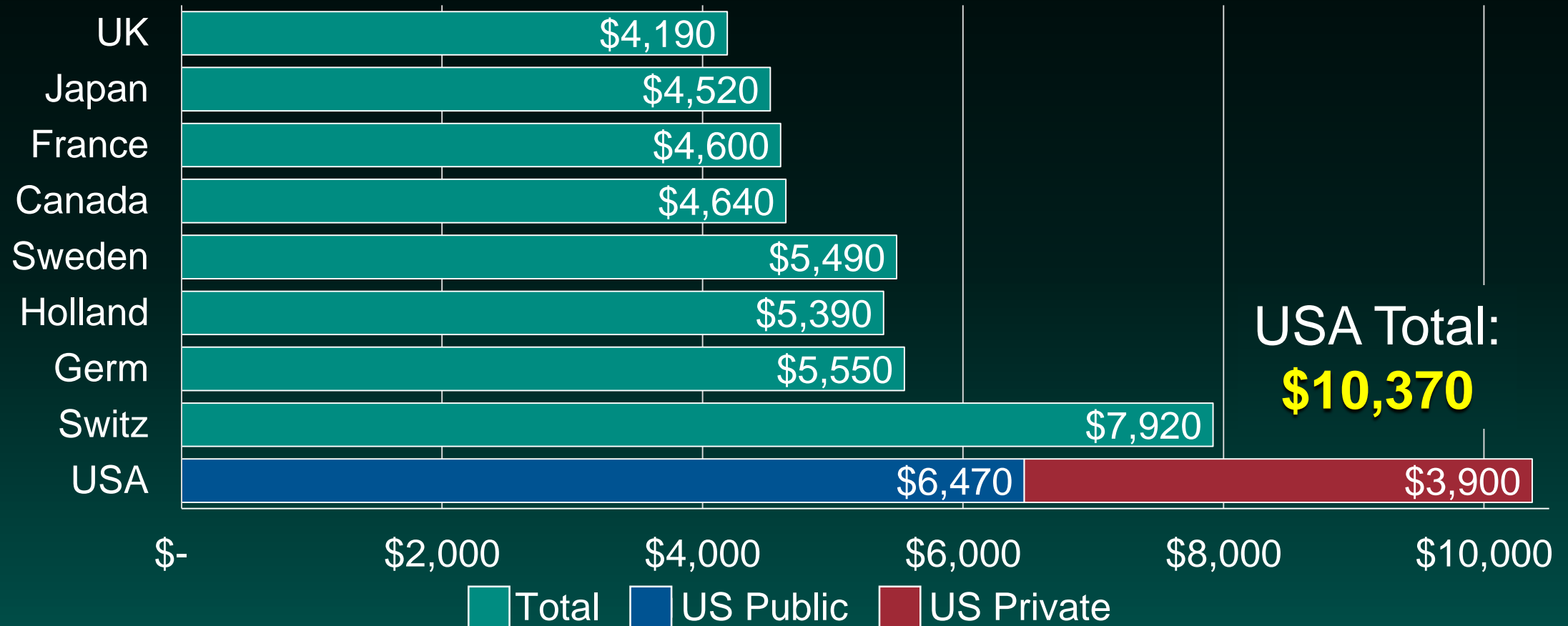
La Crosse Rotary Club Luncheon May 9th, 2019

Mark Neumann, MD

mark.neumann22@gmail.com



US *Public* Spending per Capita for Health Exceeds *Total* Spending in Other Nations



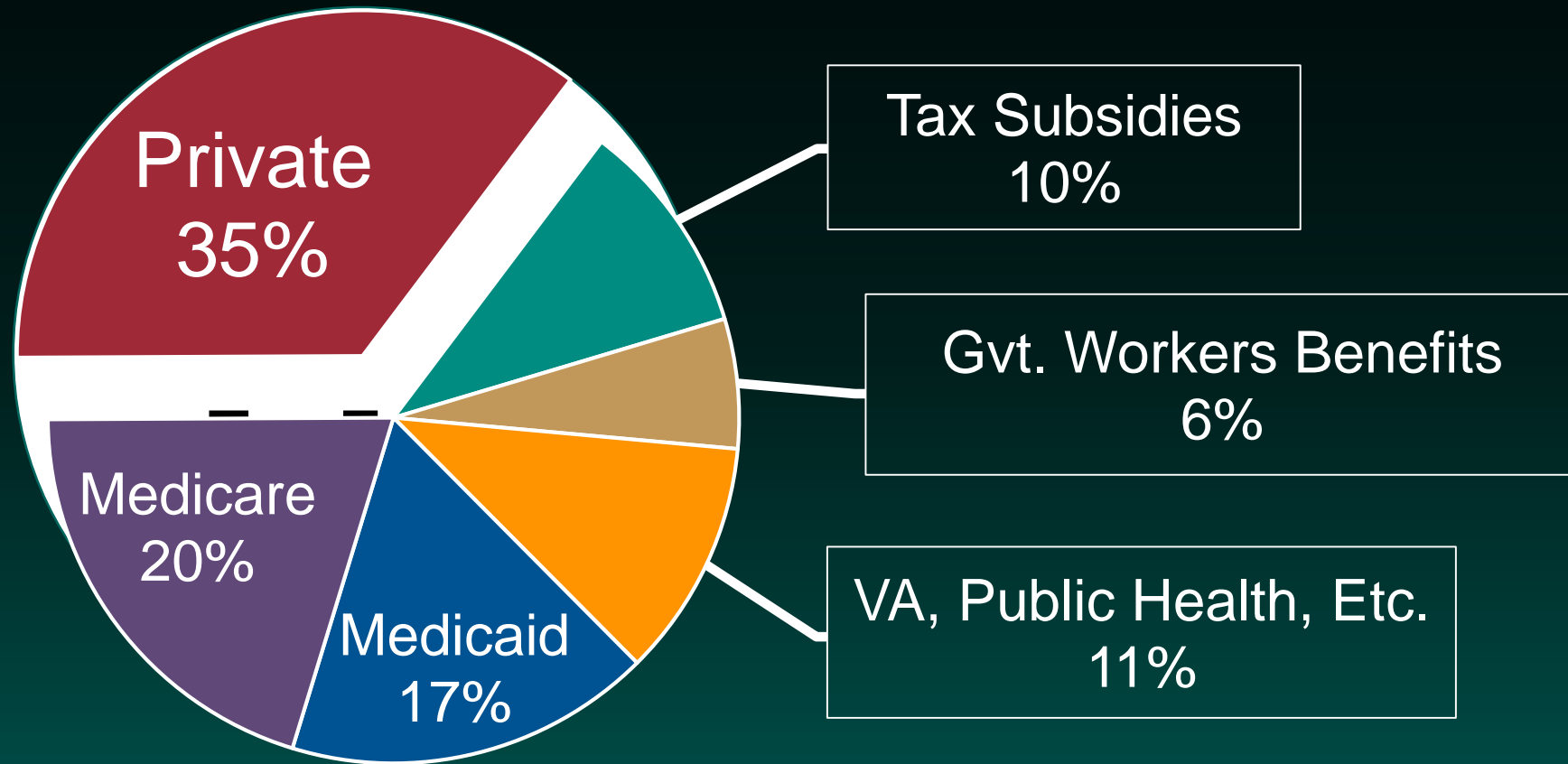
USA Total:
\$10,370

Note: "Public" includes benefit costs for gvt employees and tax subsidies for private insurance

OECD 2017; NCHS; AJPH 2016;106:449 – Data are for 2017 or most recent available



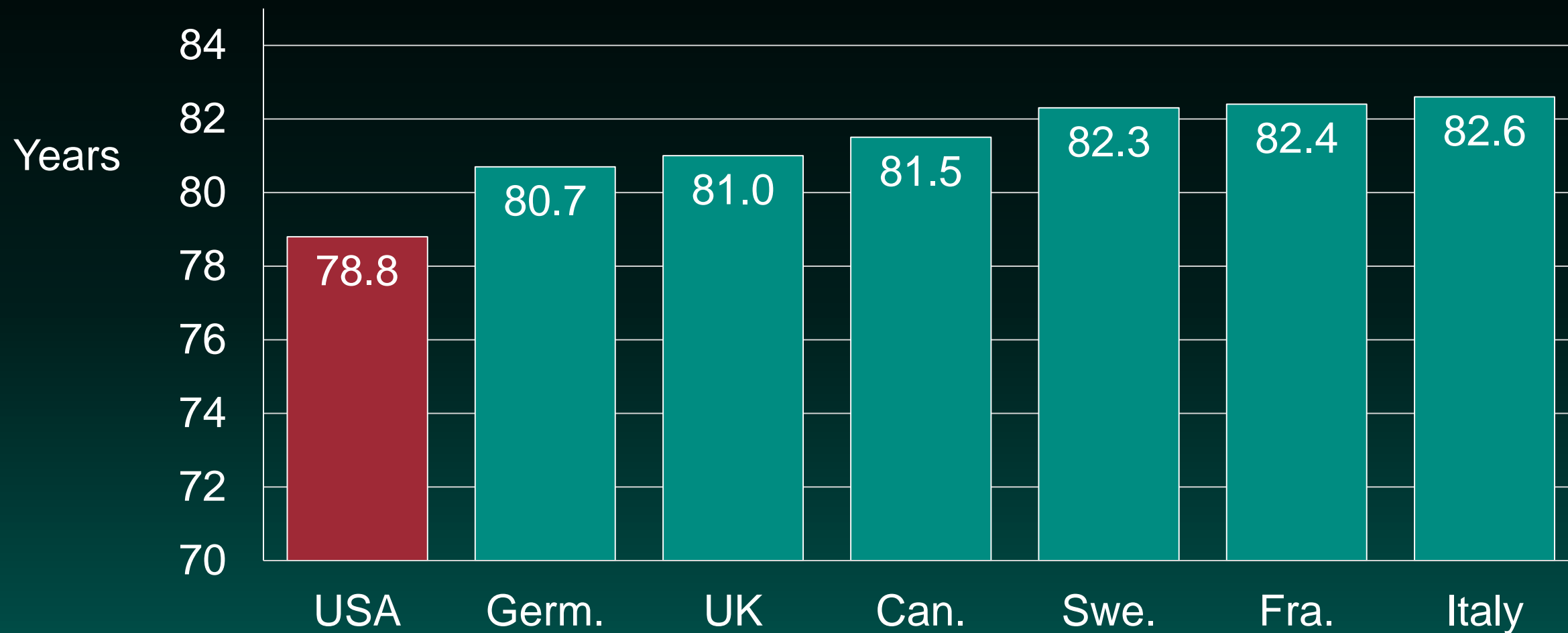
$\frac{2}{3}$ of Our Healthcare Spending Comes From Our Taxes



Source: Himmelstein & Woolhandler – Analysis of NCHS data



Life Expectancy



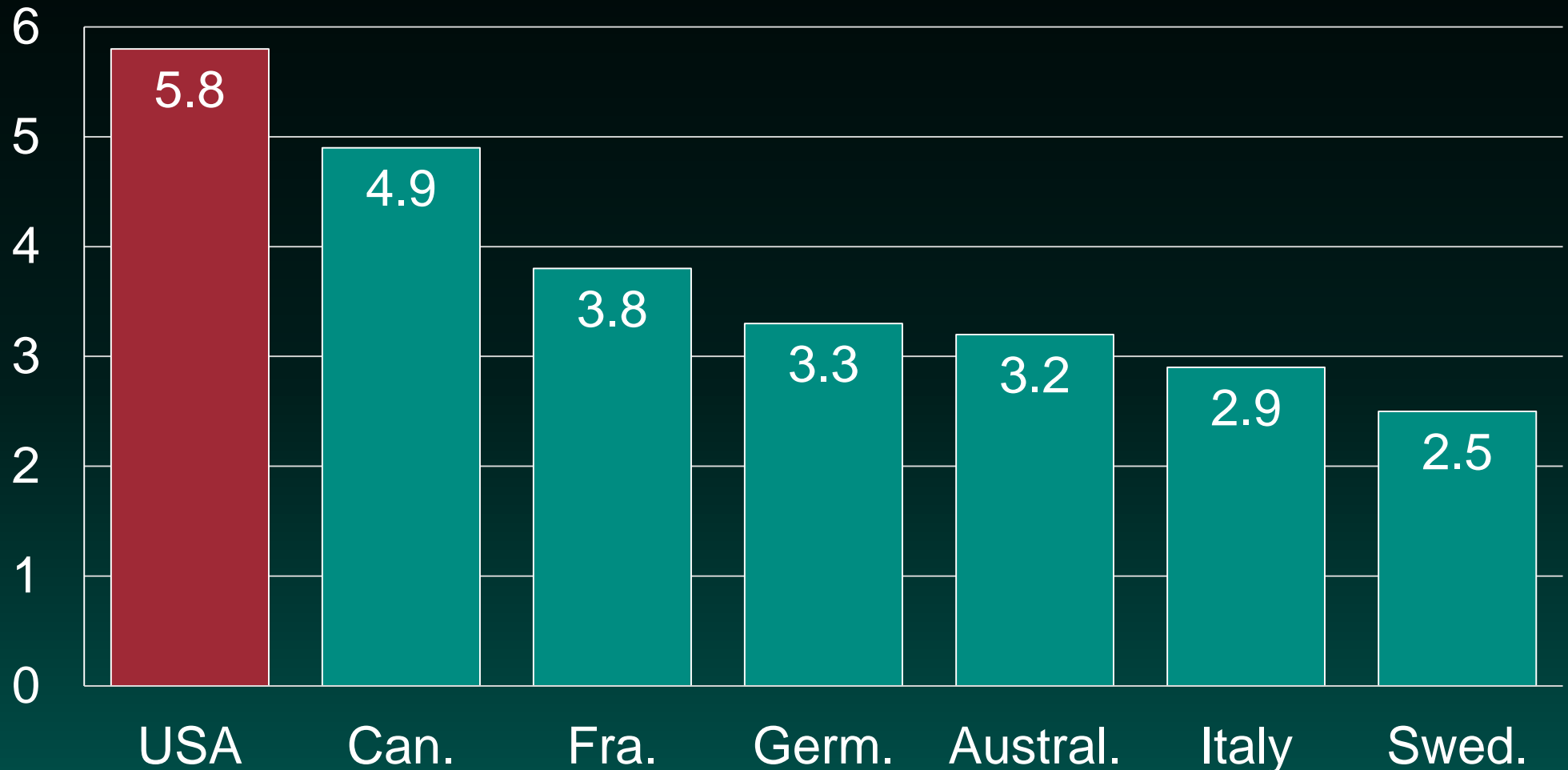
OECD, 2017

Note: Data are for 2015 or most recent year available



Infant Mortality

Deaths in
First Year of
Life / 1000
Live Births

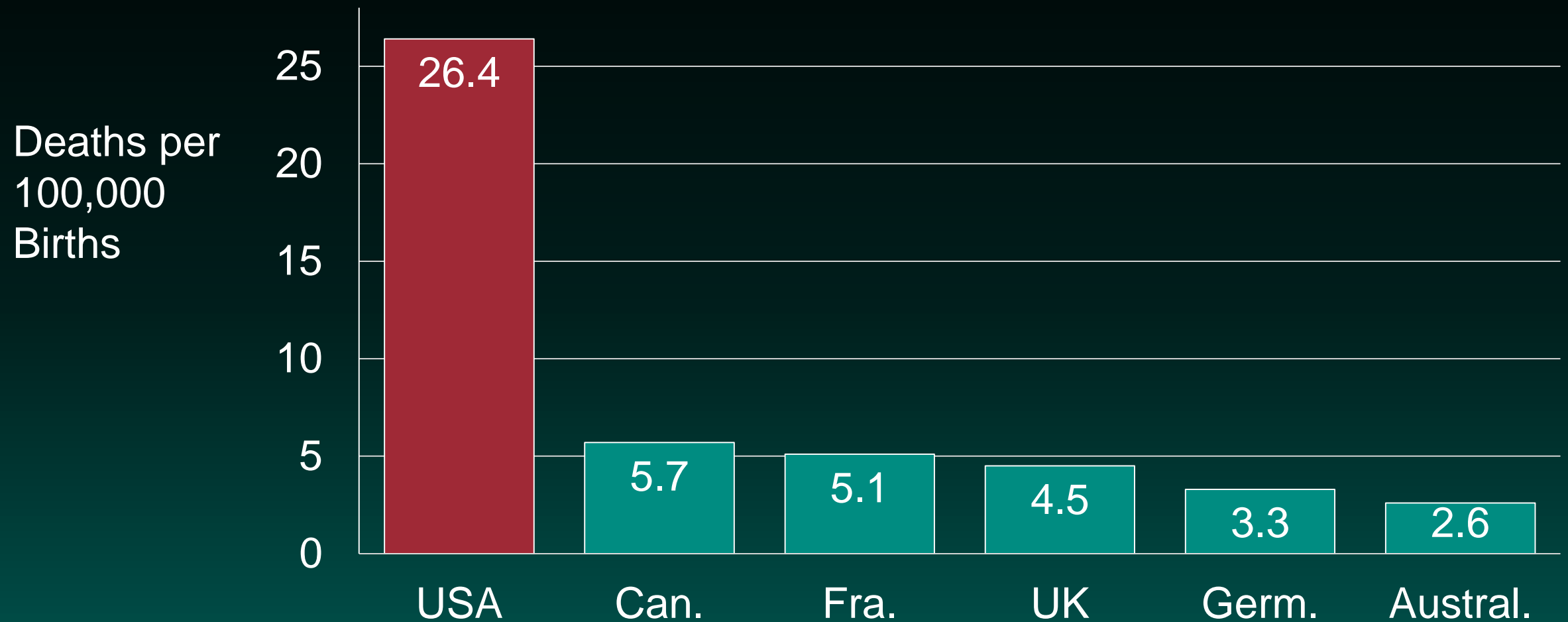


OECD, 2017

Note: Data are for 2015 or most recent year available



Maternal Mortality

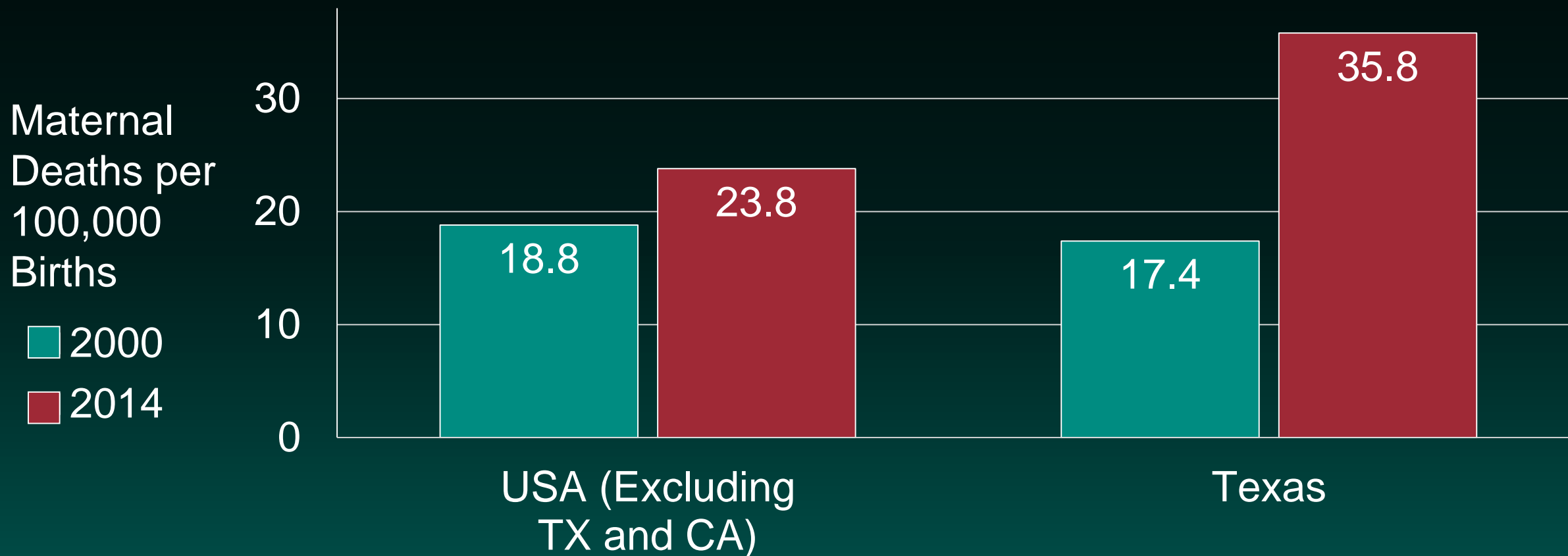


OECD, 2017 and Global Burden of Disease, 2015

Note: Data are for 2015 or most recent year available



Maternal Mortality: *Unprecedented Increase*



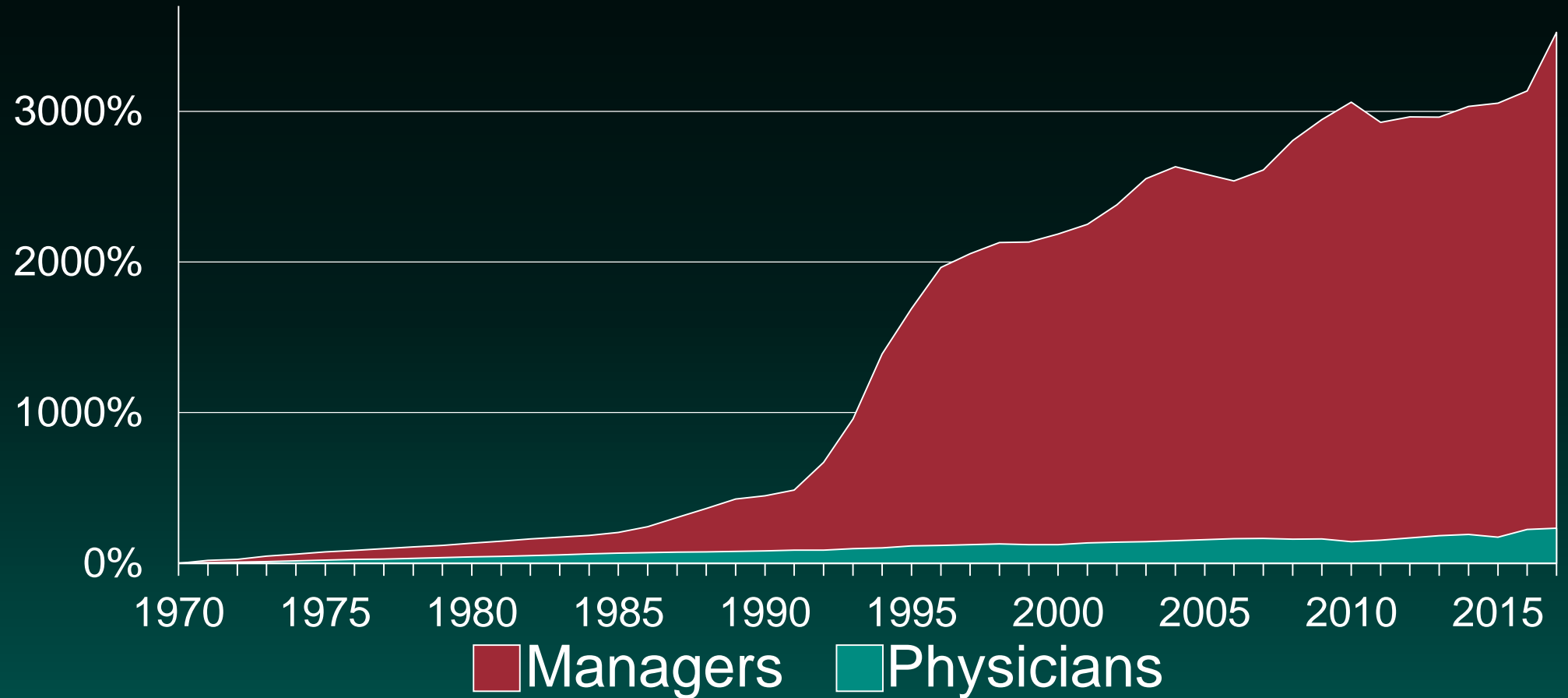
Source: Obstetrics & Gynecology 2016;128:447

Note: California excluded from national figures because of discontinuity in ascertainment



Growth of Physicians and Administrators

Growth
since 1970



Bureau of Labor Statistics; NCHS; Himmelstein/Woolhandler analysis of CPS
Managers shown as moving average of current year and two previous years



US Prescription Drug Spending

Prescription drug
spending,
Billions of dollars



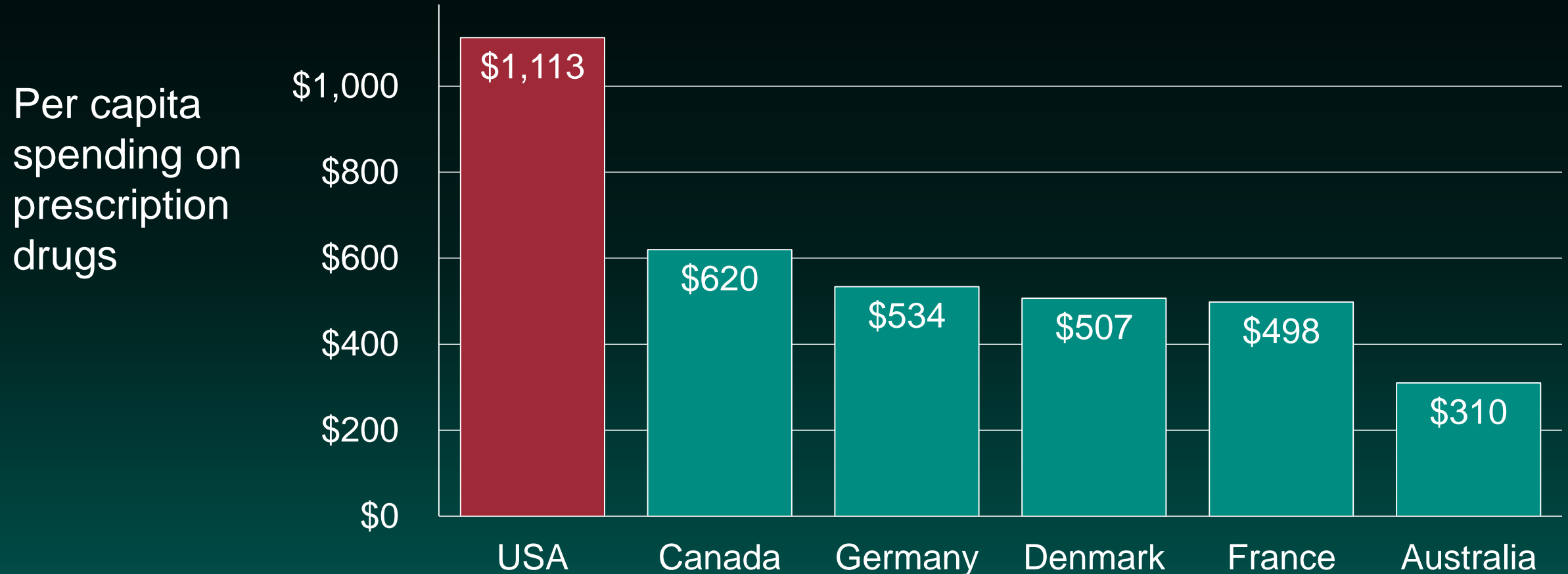
Source: CMS, Office of the Actuary

Note: 2016-2018 estimated



USA Spends the Most on Drugs

Double the OECD Average



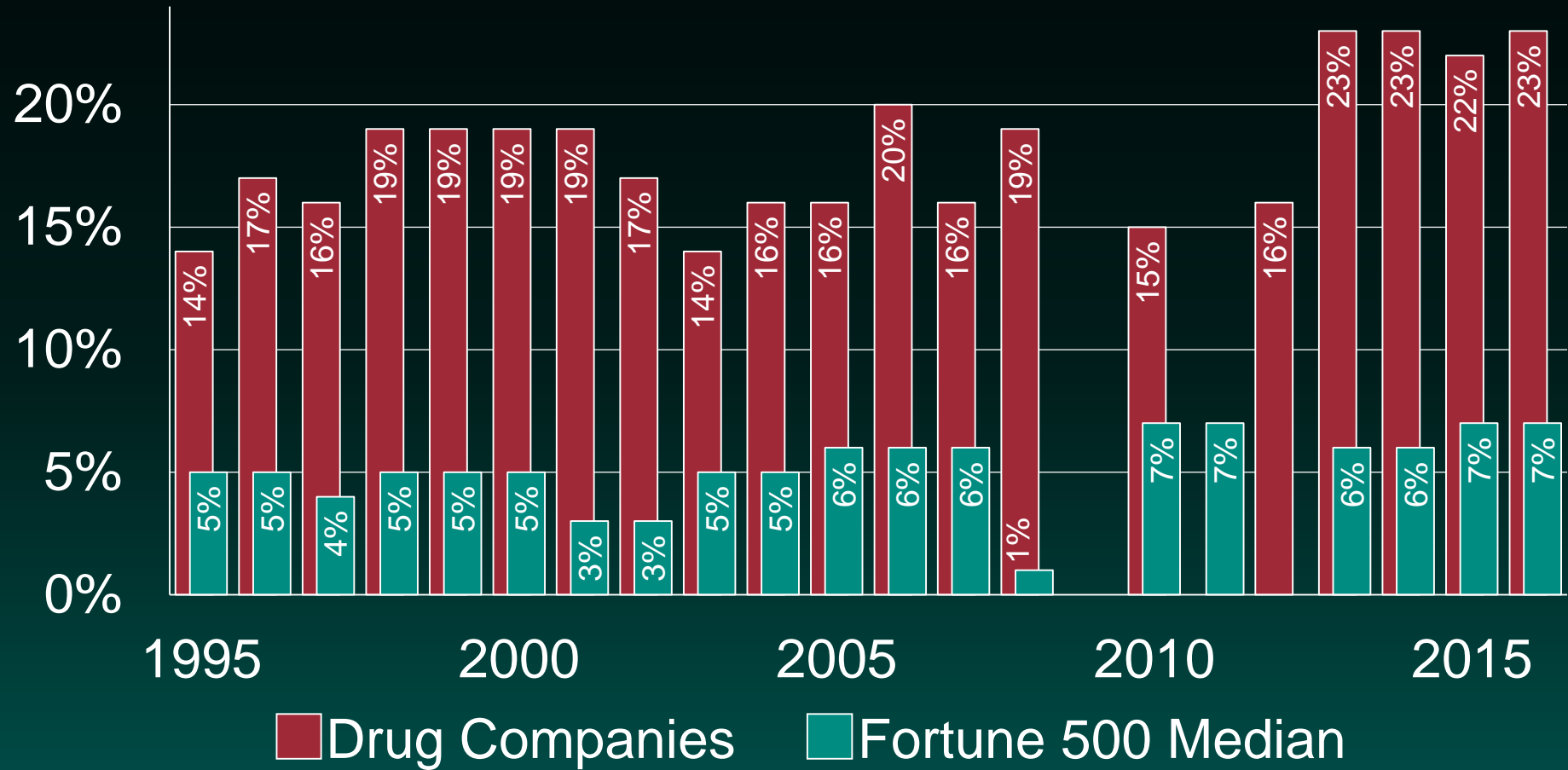
Sources: OECD, 2017; NCHC; American Hospital Association

Note: Data are for 2015 or most recent year available.



Drug Company Profits

Return on
Revenue (%)

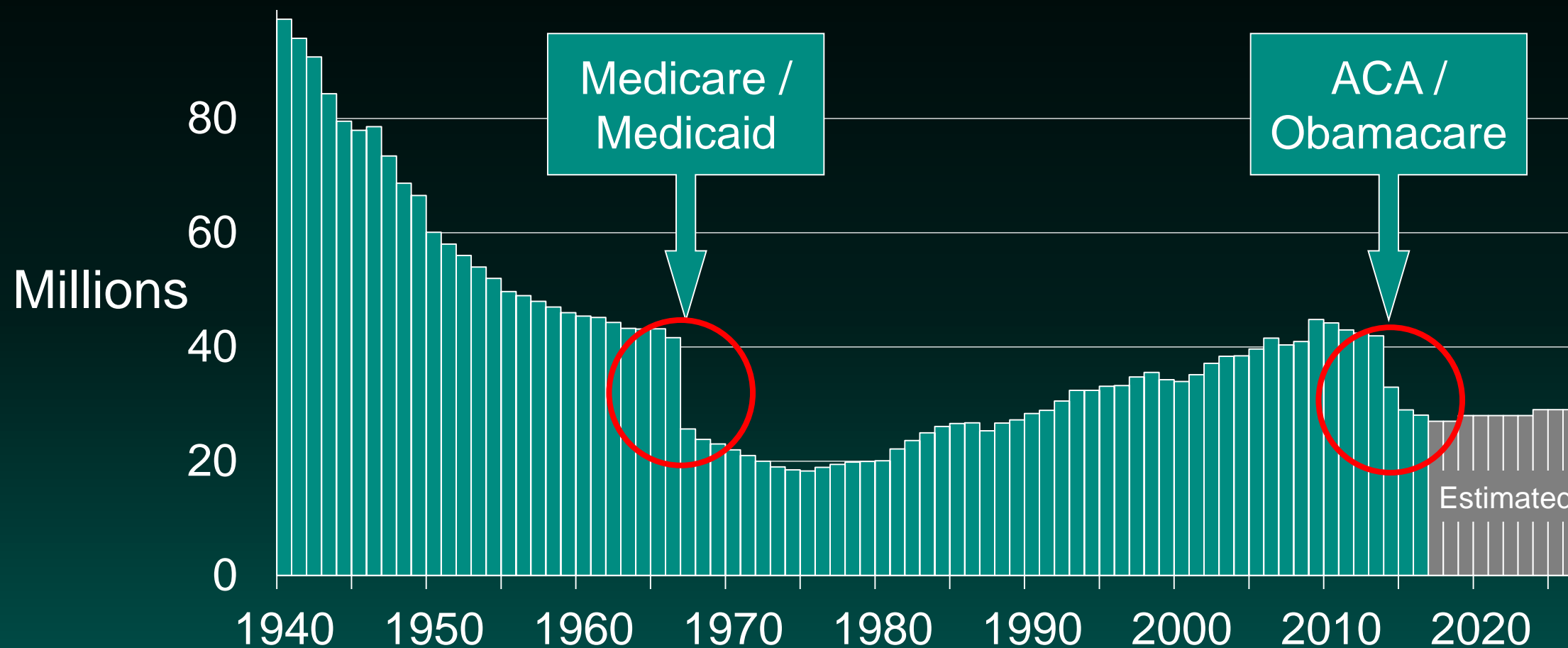


Fortune 500 rankings for 1995-2017

Total drug company profits, 2016= \$67.7 billion



Uninsured All Year, 1940-2026

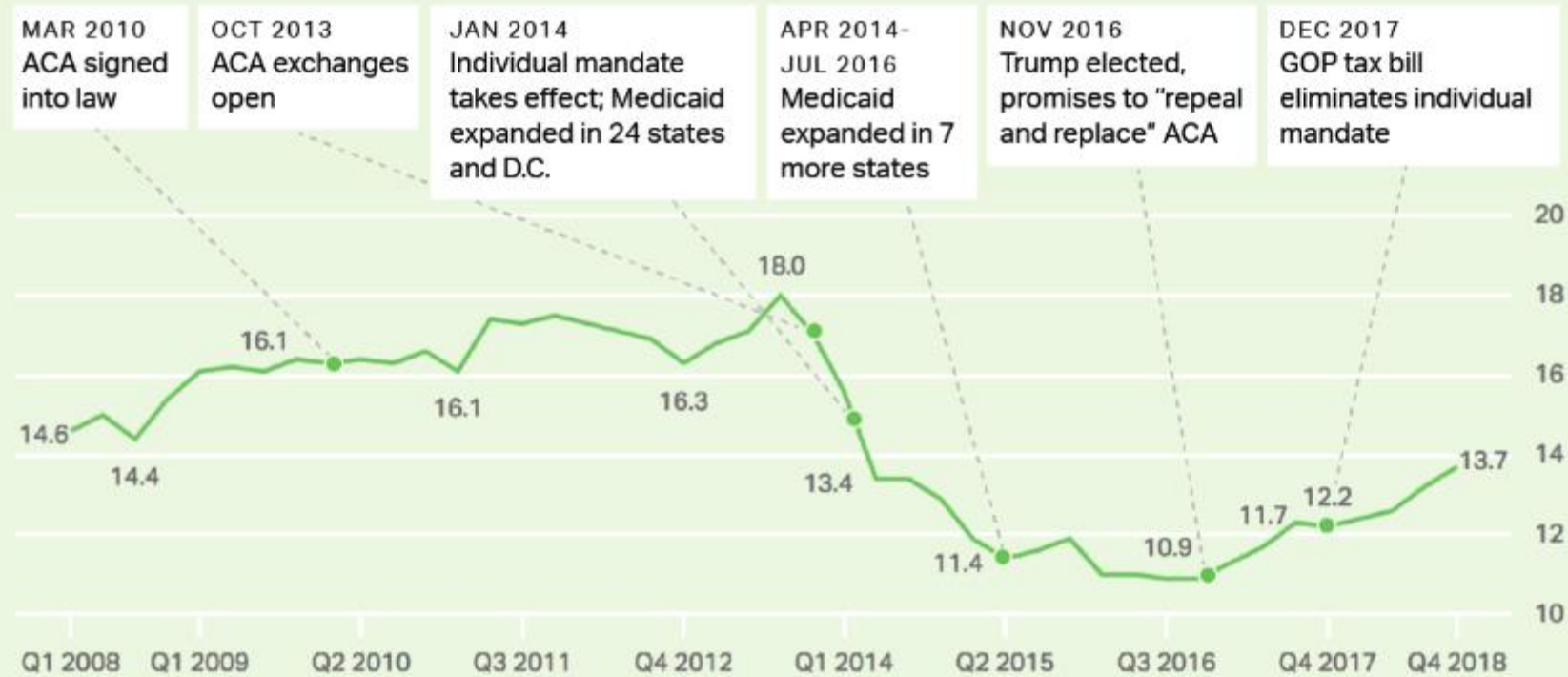


Source: Social Security Bul, HIAA, CPS, and CBO estimate



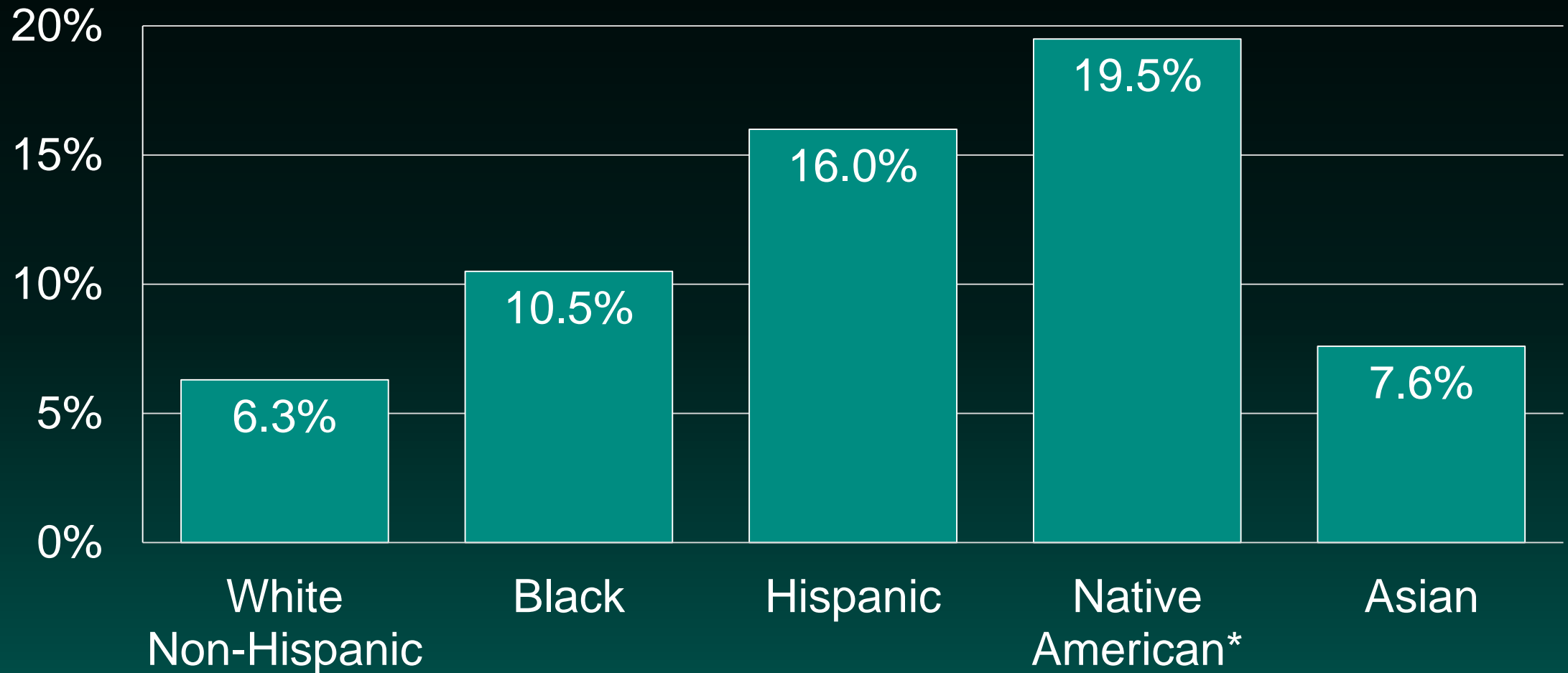
Percentage of U.S. Adults Without Health Insurance, 2008-2018

■ % Uninsured



GALLUP NATIONAL HEALTH AND WELL-BEING INDEX

Uninsured by Race/Ethnicity, 2016



US Census Bureau

Note: Figures for Native Americans are for 2014



36,530 Deaths During 2016 Due to Uninsurance

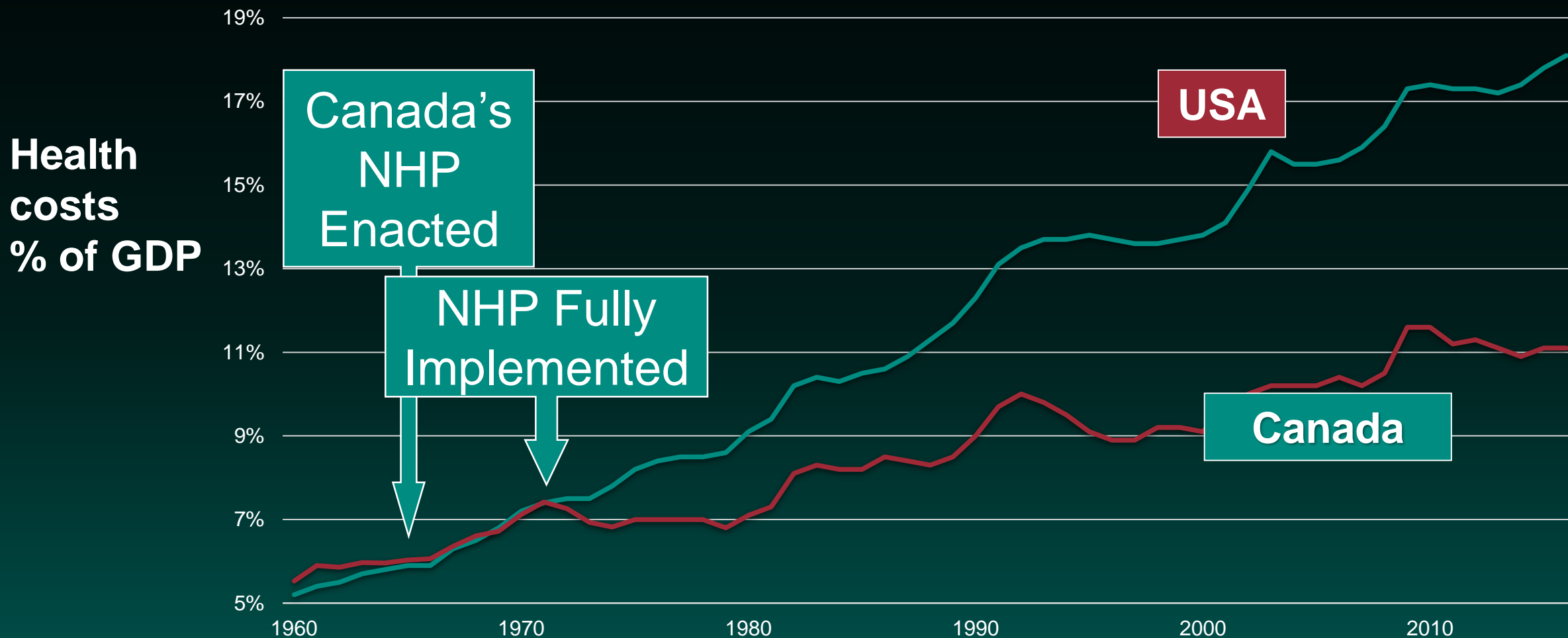
State	% Uninsured	Excess Deaths
Texas	16.6	5,909
California	3.7	3,697
Florida	12.5	3,307
Georgia	12.9	1,703
New York	6.1	1,538
USA	8.8%	36,530

Woolhandler & Himmelstein. Ann Int Med 2017;167:424

Based on best estimate from multiple studies of 1 death per 769 uninsured/year



Healthcare Costs as a % of GDP



Sources: Statistics Canada, Canadian Inst. for Health Inf., and NCHS/Commerce Dept.



How Canada Controls Costs

- Low administrative costs (16.7% of health spending vs. 31.0% in USA)
- Lump-sum, global budgets for hospitals
- Stringent controls on capital spending for new buildings and equipment
- Single buyer purchasing reins in drug/device prices
- Low litigation and malpractice costs
- Emphasis on primary care
- Exclusion of private insurers (private plans overcharged U.S. Medicare by \$34 billion in 2012)



What We Need

- Universal Coverage
 - Everyone In, Nobody Out (Healthcare is a Right / Not a Privilege)
- Comprehensive Care
 - Complete Women's Health and Reproductive Healthcare
 - Long-Term Care for People with Disabilities and Elders
- Single Payer
 - No co-pays, No deductible, No individual premiums
- Public Funding
 - Democratically Managed, Single Tier
- National Healthcare Insurance (Not Healthcare Service)
- Rapid Transition ... Not Incrementalism



What Will Be the Arguments Against M4A

FUD = Fear, Uncertainty & Doubt

- M4A will be very disruptive
- Accentuate the appearance of the disruption
- Play the “Tax Card”
- Play the “Jobs Card”
- Make people think something very important to them is being taken away (Revalue employer based health insurance model)
- Make the case that government is not competent



Savings from M4A over Current Payment System

- **Commercial Insurance administrative costs:** While commercial insurance operates at around 20% overhead, Medicare runs significantly more efficiently, only spending about 2% of overhead.
 - **Savings: \$258 billion.**
- **Provider side administrative costs:** The complicated billing systems in our multi-payer system means that hospitals and physicians are spending about 20% of their revenue on administration. That's double what their counterparts spend in single payer countries like Canada.
 - **Savings \$192 billion.**
- **Reducing monopoly prices of drugs, hospitals, and medical devices:** Medicare for all would free up Medicare to negotiate drug prices, and have more leverage against regional monopolies in hospitals
 - **Savings: \$649 billion.**

Total Annual Savings = \$899 billion



Total Annual Increased Expenditures = \$519 billion

- **Insuring the uninsured:** It is projected by CMS that about 9.6% of Americans will be uninsured in 2019.
 - **Cost: \$70 billion.**
- **Increased utilization:** Many Americans currently do not access care fearing their high deductibles or copays.
 - **Cost: \$182 billion.**
- **Eliminating Medicare premiums:** Current Medicare includes premiums for seniors.
 - **Cost: \$112 billion.**
- **Additional government administration:** There will be more staffing and administrative needs when we expand Medicare.
 - **Cost: \$27 billion.**
- **Estimated increase in hospital rates from current Medicare prices:** To cover overhead currently supported by overcharging private health insurance over actual marginal cost.
 - **Cost: \$83 billion**
- **Medicaid rate equalization:** Medicaid currently pays a lower rate to hospitals and physicians than Medicare.
 - **Cost: \$45 billion.**

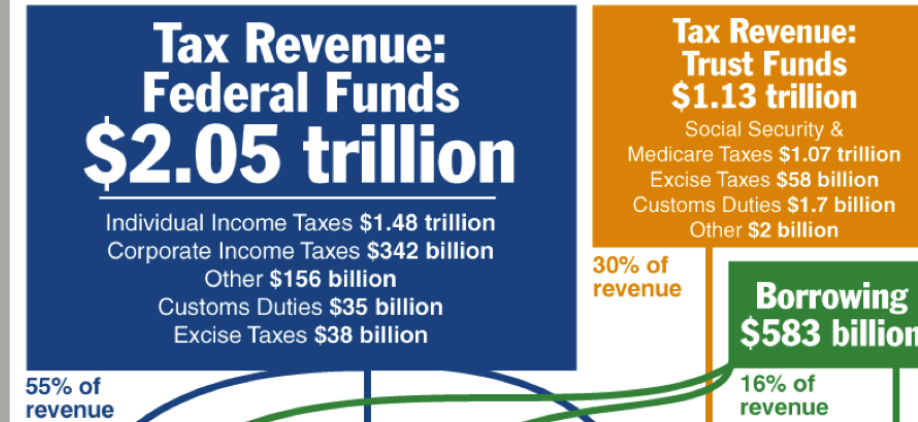
Increased Expenses = \$519 billion



United States 2015 Budget

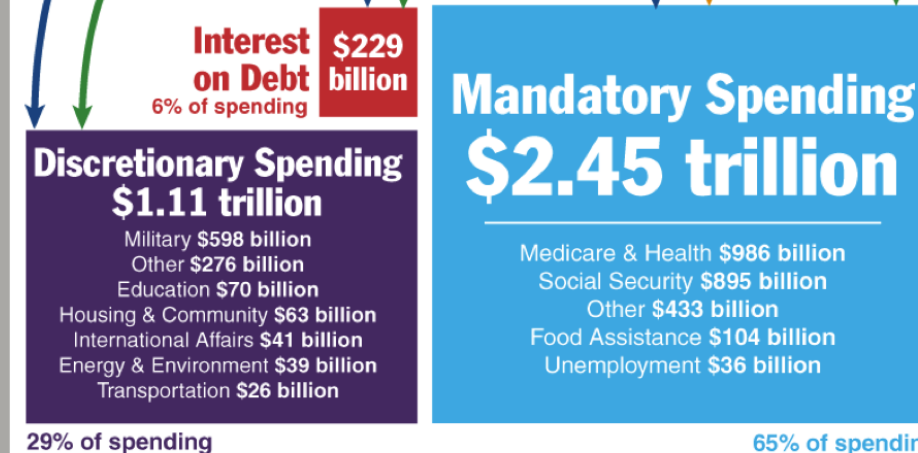
Where The Money Comes From

(\$3.8 trillion in revenue and borrowing)



Where The Money Goes

(\$3.8 trillion in spending)

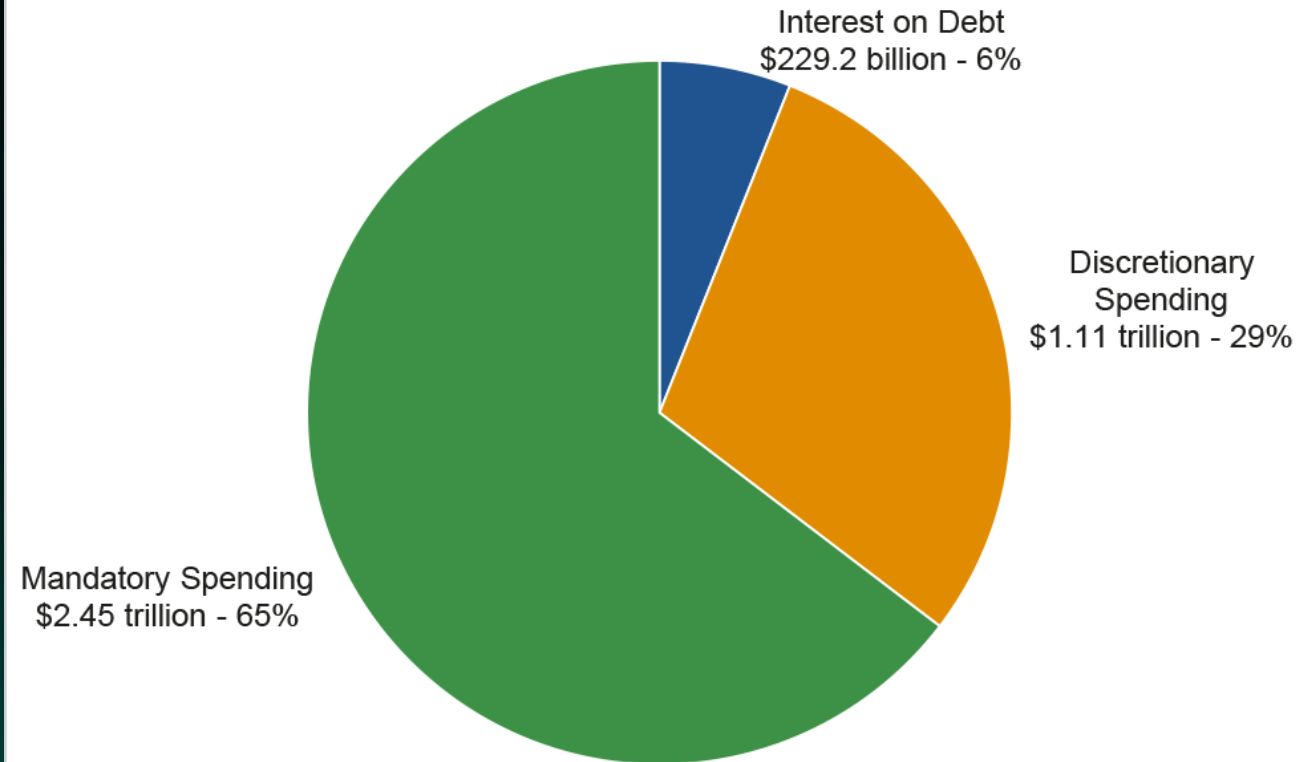


Source: OMB
National Priorities Project

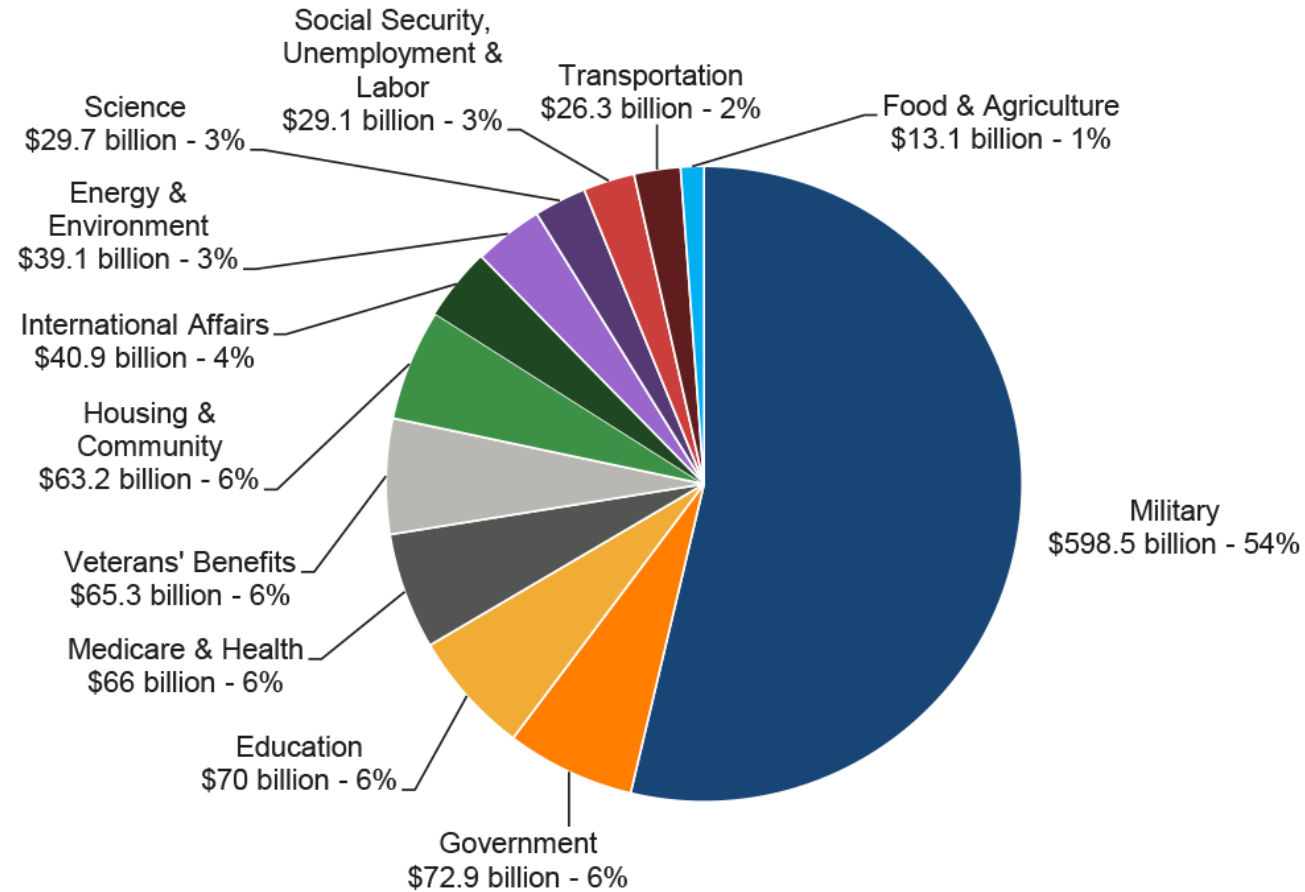
nationalpriorities.org

NATIONAL PRIORITIES PROJECT

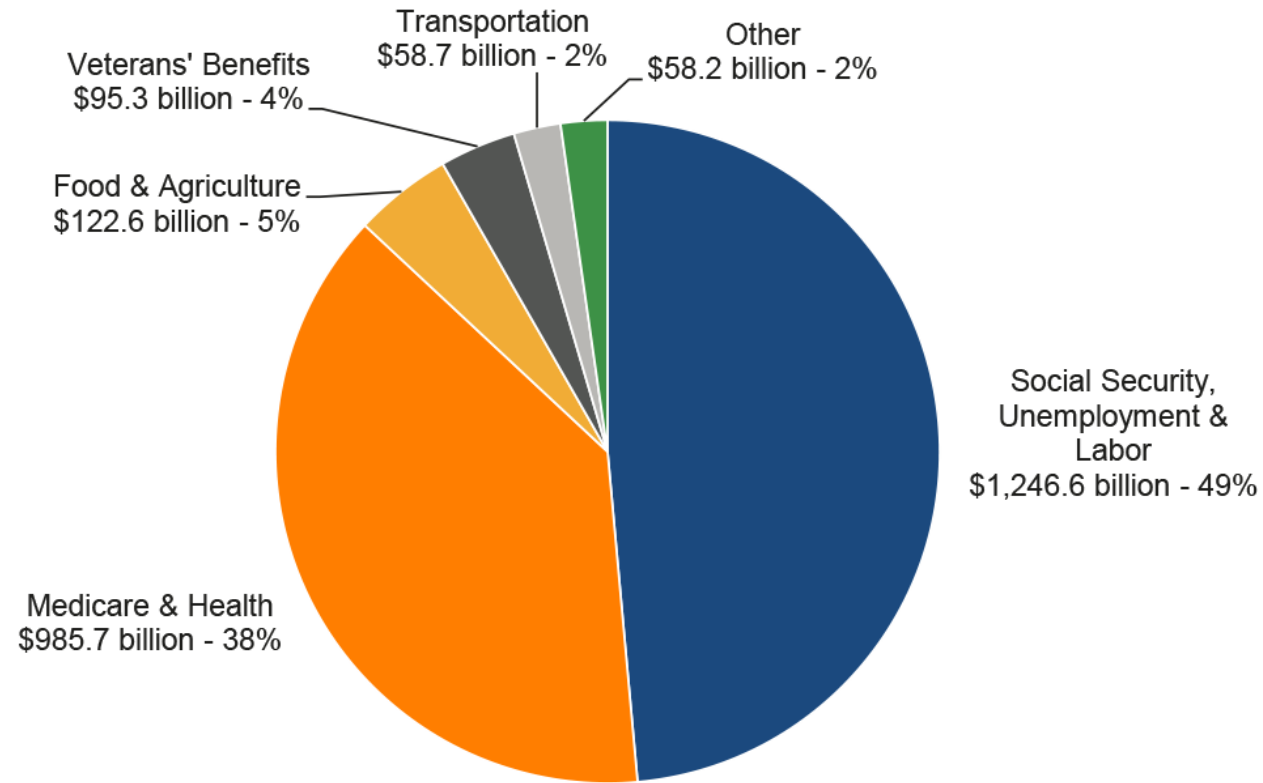
FY 2015 Mandatory and Discretionary Spending and Interest on Federal Debt (in 2015 Dollars)



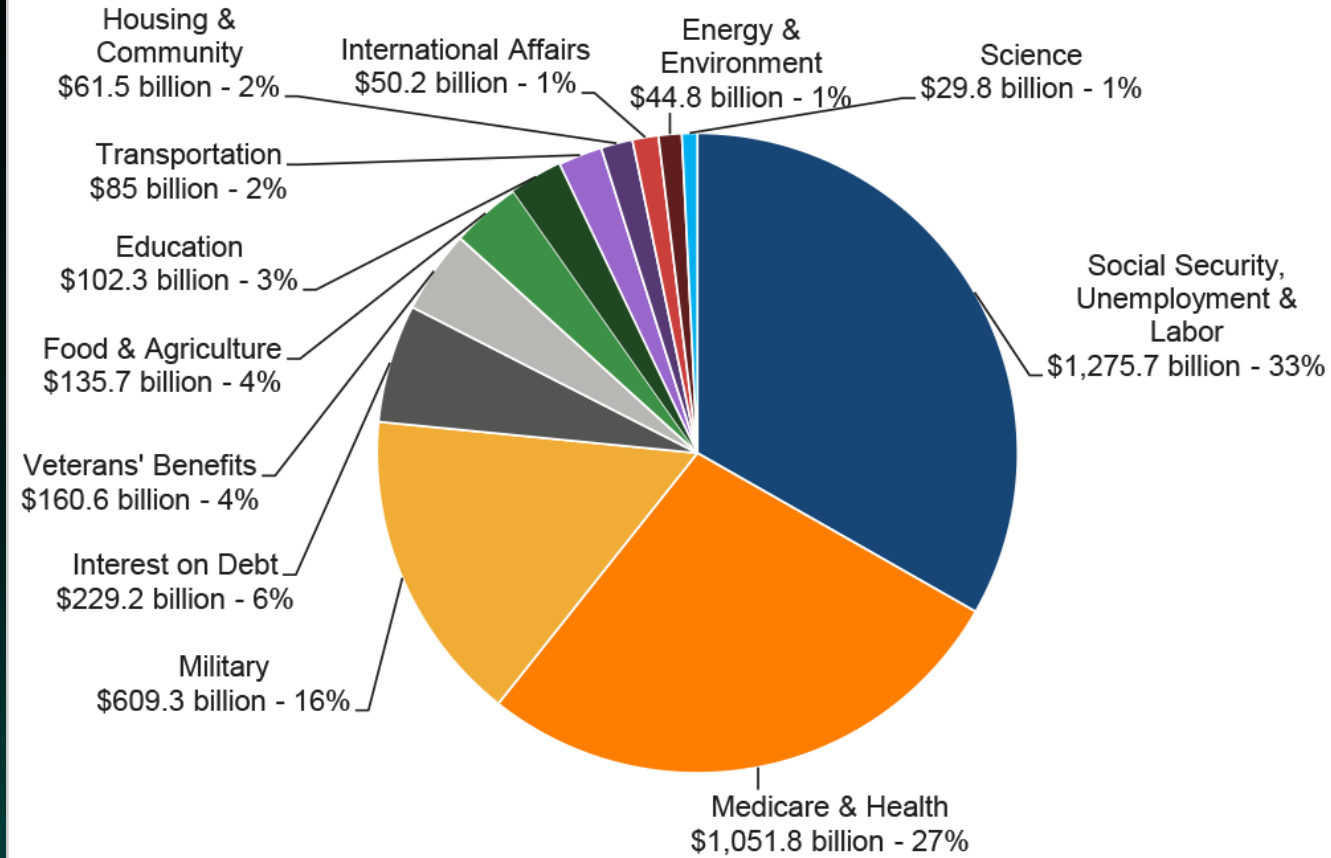
Discretionary Spending 2015: \$1.11 Trillion



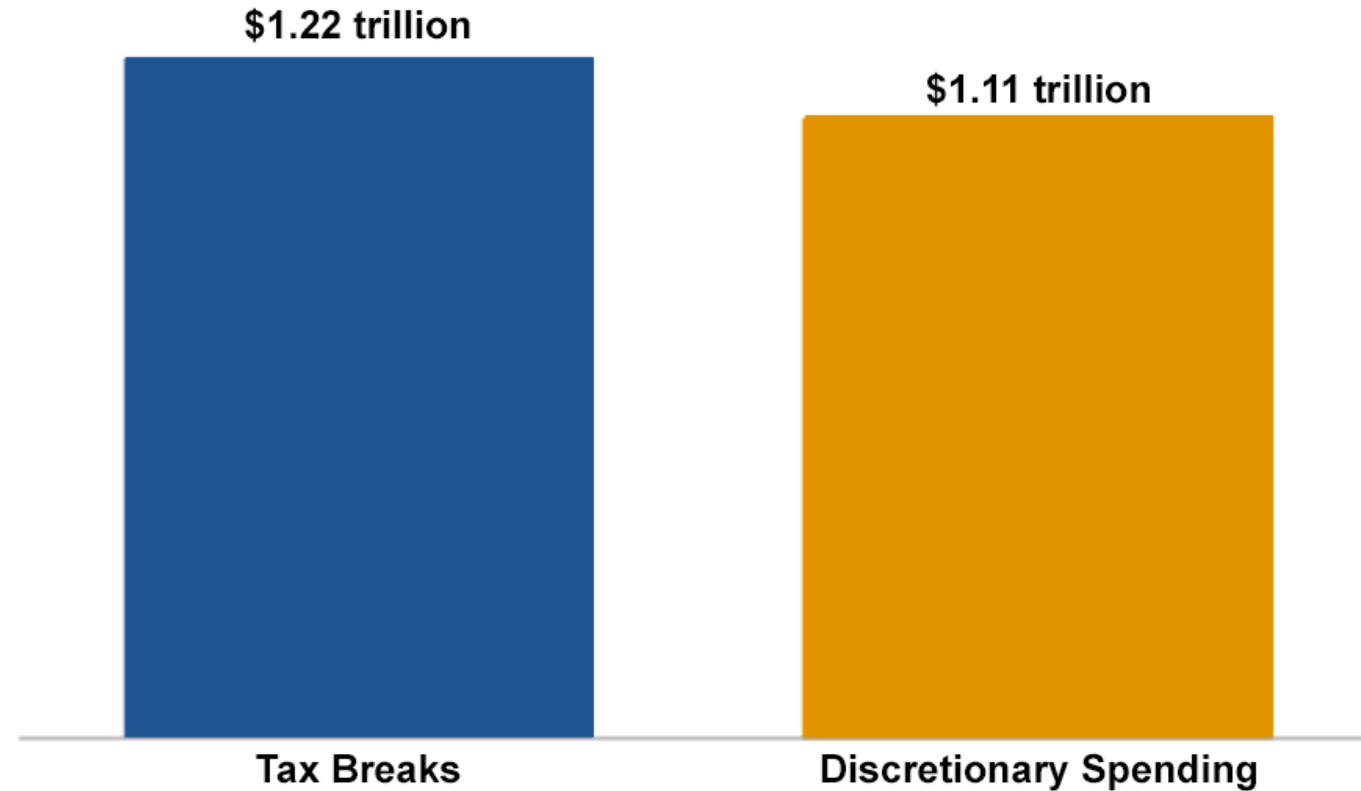
Total Mandatory Spending 2015: \$2.45 Trillion



Total Federal Spending 2015: \$3.8 Trillion



Tax Breaks Are Larger Than Discretionary Spending (Fiscal Year 2015)



nationalpriorities.org



Source: OMB, National Priorities Project



	Do ALL AMERICANS gain coverage?	Do Americans still get INSURANCE AT WORK?	Do public plan enrollees pay PREMIUMS?	Does it require a TAX INCREASE?	Does the GOVERNMENT regulate health care prices?
Jayapal (D-WA) and the House Progressive Caucus's Medicare-for-all bill	✓	✗	✗	✓	✓
Sanders's Medicare-for-all bill	✓	✗	✗	✓	✓
DeLauro (D-CT) and Schakowsky's (D-IL) Medicare for America bill	✓	✓	✓	✓	✓
Merkley (D-OR) and Murphy's (D-CT) Medicare buy-in bill	✗	✓	✓	✗	✓
Schakowsky (D-IL) and Whitehouse's (D-RI) Medicare buy-in bill	✗	✓	✓	✗	✓
Bennet (D-CO), Higgins's (D-NY) and Kaine (D-VA) Medicare buy-in bill	✗	✓	✓	✗	✓
Schatz (D-HI) and Lujan's (D-NM) Medicaid buy-in bill	✗	✓	✓	✗	✓
Stabenow (D-MI) Medicare-at-50 bill	✗	✓	✓	✗	✓
The Urban Institute's Healthy America proposal	✗	✓	✓	✓	✓

Source: Vox analysis

Vox





Medicare For All Short Videos



FIX IT - Healthcare at The Tipping Point

This film was two years in the making, with more than forty voices advocating for reform, including: activists, health policy experts, economists, physicians, nurses, patients, business and labor leaders.

This documentary takes an in-depth look into how our dysfunctional health care system is damaging our economy, suffocating our businesses, discouraging physicians and negatively impacting on the nation's health, while remaining un-affordable for a third of our citizens.



Who We Are

About BIHP

The Business Initiative for Health Policy is a public education and advocacy effort focused on advancing the business and economic rationale for adopting a Medicare for All system in the United States, the only developed nation in the world without guaranteed universal healthcare.

BIHP believes that the current profit-driven healthcare system poses an existential threat to American business, particularly small and mid-sized businesses, and that its continuation will lower profits for business owners, adversely affect innovation and entrepreneurialism, depress wages for millions of working Americans creating drag on the economy, and hamper international competitiveness.

BIHP further believes that a Medicare for All health care system is the only way to ensure a healthy citizenry, which is both a basic building block of a stable and prosperous nation and an essential component of enduring competitive advantage in the global economy.

The Business Initiative for Health Policy (BIHP) is an independent, non-partisan policy, public education and advocacy organization focused on advancing the business and economic rationale for the United States, the only developed nation without guaranteed universal healthcare, adopting a Medicare for All system.

[Who We Are >](#)

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Join us to help our efforts in creating a healthcare system that works for all.

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About PNHP

Physicians for a National Health Program is a single issue organization advocating a universal, comprehensive single-payer national health program. PNHP has more than 20,000 members and chapters across the United States.



PHYSICIANS FOR
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TARBELL'S FOUNDER PENS CHAPTER IN "ORAL HEALTH IN AMERICA: REMOVING THE STAIN OF DISPARITY"



"Legislation authorizing dental therapists to practice has received bipartisan support and



Medicare for All Act 2019 -- H.R.1384

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BILL

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Sponsor: [Rep. Jayapal, Pramila \[D-WA-7\]](#) (Introduced 02/27/2019)

Committees: House - Energy and Commerce; Ways and Means; Education and Labor; Rules; Oversight and Reform; Armed Services

Latest Action: 03/13/2019 Sponsor introductory remarks on measure. ([All Actions](#))

Tracker:

Introduced

Passed House

Passed Senate

To President

Became Law

More on This Bill

[Constitutional Authority Statement](#)

[CBO Cost Estimates \[0\]](#)

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Summary (0)

Text

Actions (9)

Titles (1)

Amendments (0)

Cosponsors (106)

Committees (6)

Related Bills (0)

Text: H.R.1384 — 116th Congress (2019-2020)

[All Information](#) (Except Text)

Medicare for All Act 2019 -- H.R.1384

