Universal Single Payer Healthcare
Single Payer Goal:

**Quality Health Care for ALL**
The Problem

- Many millions of us don’t receive necessary care
- 47 million of us are uninsured in US ¹
- 80 million UNDER-insured ¹
- 1.4 million uninsured in Pennsylvania ²
- 300,000 of our children in Pa are uninsured ²
- 18,000 Americans die annually ³
- 40% of US personal bankruptcies ⁴
- Our costs double those of other countries ⁵
Barriers to Health Care (2003)

- Postponed seeking care because of cost: 47% (Uninsured), 15% (Insured)
- Needed care but did not get it: 35% (Uninsured), 9% (Insured)
- Did not fill a prescription because of cost: 37% (Uninsured), 13% (Insured)
- Had problems paying medical bills: 36% (Uninsured), 16% (Insured)
- Contacted by collection agency about medical bills: 23% (Uninsured), 8% (Insured)

Kaiser 2003 Health Insurance Survey.
Some Reasons for Situation

- Inefficiency in the insurance industry
  - Overhead of ~25%
  - Compare to Overhead of ~3% for Medicare
- Inequitable drug pricing
  - Negotiation Reduces Pricing
  - Without Negotiation Pricing Rises
- Healthcare & Coverage Unaffordable
- Coverage Denied
What are Our Choices?

- Do nothing
- Modify the current system
  - (e.g.) Massachusetts Plan
- Federal Single Payer
- State Single Payer
Considerations

- Quality of Care
- Prevention
- Portability
- Pre-existing Conditions
- Cost
- Economic Impact
Key Single Payer Features

• No Deductibles or Co-pays

• Comprehensive coverage:
  - Hospitalization
  - Physicians
  - Prescription Drugs
  - Dental
  - Mental Health
  - Optical
  - Emergency Transport
  - Addiction Treatment
  - Transplants
  - Medical Equipment
  - Hospice Care
  - Long Term Care
Other Single Payer Features

- Quality coverage for all Americans
- Independent of:
  - Age
  - Employment status
  - Pre-existing conditions
- Portable
- Publicly funded, privately delivered
- NOT “socialized medicine.”
- Successful in other countries *and HERE!*
Indirect Benefits

- New health care jobs
- Keeps & attracts business
- Retains & creates jobs
- Stimulates the economy
- Alleviates property taxes
PA State Single Payer Legislation

- Similar Benefits to Federal Plan
- Different Economies of Scale
- Portable Within Pennsylvania
- More Detailed than Federal Bill
- Includes PA-Specific Provisions
The Burden in Central Bucks Schools

- School Budget is $242 Million
- Health Insurance is ~$24 Million
- Fast Growing & Unpredictable
- Potential School Budget Reduction
  - State Plan: ~$11 Million or ~4.6%
  - Federal Plan: ~$20 Million or ~8.4%
How it Works
Cost Reductions
National Plan

- Reduced administrative overhead will save US ~$300 billion because:
  - Private insurance overhead: ~25% \(^6\)
  - Medicare overhead: ~3-6%

- Negotiated drug prices will save billions:
  - Veterans Admin. already saves ~50% \(^7\)
Impact of US Law on Individual Costs

- Avg. Premium Private Employers ~$10,000
  - ~$7,800 Paid by Employer
  - ~$2,200 Paid by Employee

- Average wage ~$40,000

- Under US Single Payer Plan:
  - Cost to employer: ~$1,300/yr
  - Savings to Employer: ~$6,500/yr
  - Cost to Employee: ~$1,300/yr
  - Savings to Employee: ~$900/yr
Impact of PA Law on Individual Costs

- Avg. Premium Private Employers ~$10,000
  - ~ $7,800 Paid by Employer
  - ~ $2,200 Paid by Employee

- Average wage ~$40,000.

- Under PA Single Payer Plan:
  - Cost to Employer: ~$4000/yr
  - Savings to Employer: ~$3,800/yr
  - Cost to Employee: ~$1,200/yr
  - Savings to Employee: ~$1,000/yr.
Revenue for Federal Plan

- Existing federal & state funding
- 3.3% wage tax on Employers & Employees
- 5% tax on top 5% of income earners
- Closing corporate tax loop-holes
- Repealing tax cuts for the top 1%
Revenue for State Plan

- Existing Funding from Medicaid, CHIP, etc.
- 10% Wage Tax on Employers
- 3% Wage Tax on Employees
Summary

- Universal Single Payer Health Care:
  - Quality of care for ALL
  - Increases HC benefits: Comprehensive coverage; No deductibles or co-pays
  - Includes prevention programs
  - Portable across employers & locations
  - Covers unemployed
  - Covers pre-existing conditions
  - Publicly funded, privately delivered
  - Reduces costs
  - Benefits business, employees, taxpayers
  - Good for the economy
  - Creates jobs
References

1. 46.6 million uninsured: US Census Bureau
2. 1.4 million PA, 300,000 children: Kaiser Family Foundation
3. 18,000 deaths: Institute of Medicine of the National Academies, "Insuring America's Health," 2004
4. 40% personal bankruptcies: ConsumerAffairs.com
5. Health spending double other countries: Johns Hopkins study; Kaiser Family Foundation July 2005

1. Private insurance 25%, Medicare 3%: Health Affairs article November 2005
2. Veterans Admin saves 50%: Families USA (consumer health organization)