

Universal Healthcare Models

The Goal of Universal Healthcare

- The goal of Universal Healthcare is to provide access to healthcare and coverage for basic healthcare services to a target group without undue financial hardship.
- The United States is the only developed country in the world without a Universal Healthcare system.
 - Our System has been referred to as a Health Insurance System
- Achieving Universal Healthcare was the goal behind the Affordable Care Act.

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Universal Healthcare Models

Healthcare as a Fundamental Right

- One distinguishing feature of Universal Healthcare Models is whether Healthcare Coverage is a fundamental right.
- The United States does not, at this time, recognize healthcare as a fundamental right.
- Many other developed countries have recognized that healthcare is a fundamental right, supported by the World Health Organization and the United Nations.

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Universal Healthcare Models

Governmental or Private Coverage

- Another distinguishing feature of a Universal Healthcare Model can be who is providing the coverage, a governmental program or a private entity.
- In the United States, the governmental programs most often discussed in the Universal Healthcare context are Medicare and Medicaid.
- The United States utilizes a Multiple Payer System cobbling together both governmental and private coverages.

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Universal Healthcare Models

Governmental or Private Funding

- Governmental Funding is taken from general tax revenue or specific taxes or penalties on employer or specific groups.
- Private Funding is generally achieved through compulsory coverage mandates that require the private purchase of coverage.
- Most countries have created a mixed model of both governmental and private funding to achieve universal healthcare:
 - Primarily Governmental Funding – Portugal, Spain, Denmark, and Sweden
 - Mixed Funding – German, France and Japan

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Universal Healthcare Models

Governmental or Private Providers

- A distinction is also made between different Models based on whether the Healthcare Providers, mainly physicians, are employed by the government or by private entities.
- Most countries provide Universal Healthcare through a mix of governmental and private providers.
 - Including Germany, Australia and India
- Other countries have moved toward the government employing the providers in their Universal Healthcare system.
 - Including China, Cuba, Finland and Egypt

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Universal Healthcare Models

Number of Payers Involved

- A Single Payer Model would result in one payer being financially responsible for the healthcare coverage and treatment costs of the target group.
 - Includes Greenland, China, Egypt, Sweden, Norway and Finland
- A Multiple Payer Model would result in multiple payers being financially responsible for the coverage and treatment costs of the target group.
 - Payers could be organized by Levels of Coverage, Geographic areas, or Distinctions in the Target Group.
 - Includes United States, Australia, India and Argentina
- Most Universal Healthcare Systems and Proposals today are not Single Payer.
 - Single Payer Systems today in Greenland, China, Egypt, and Finland

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Universal Healthcare Models

Number of Providers Involved

- A Single Provider Model would exist where all healthcare providers including hospitals and physicians are employed by or owned by one entity, usually a governmental entity at some level.
 - Single Provider Systems today in Greenland, China, Egypt and Finland
- A Multiple Provider Model would exist there there were healthcare providers including hospitals and physicians employed by or owned by multiple entities, one of which would typically be a governmental entity at some level
 - Multiple Provider Systems today in Brazil, Canada, Australia, and Saudi Arabia
 - The United States is currently a Multi-Provider Model

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Universal Healthcare Models

Geographic Scope of Coverage

- Universal Healthcare efforts can also be distinguished by the geographic scope of the effort.
- For the United States, Universal Healthcare initiatives have been proposed at the:
 - Federal;
 - State; and
 - Municipal Level.

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CURRENT FEDERAL PROPOSALS

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Current Federal Proposals

Medicare-for-all Proposals

- Single Payer, Governmental Plan
 - Two Different Proposals
- Tax Financed with no Premiums and Very Limited Cost Sharing
- Would replace Private Insurance, Medicaid, Medicare and CHIP for covered services
- Would cover "all citizens"
- Would have no linkage to employment status or employers
- Reimbursement could be either through:
 - Medicare Fee Schedules, or
 - Hospitals and Facilities paid with a negotiated quarterly lump sum payment and Physicians paid through Fee for Service schedules



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Current Federal Proposals

Public Program with "Opt Out"

- Multiple Payer Governmental Option
- Provides Comprehensive Coverage through Medicare with Right to "Opt Out" for Employer Sponsored and Certain Other Coverage
- Replaces Current ACA Marketplaces
- Sliding Scale Premium and Cost Sharing by FPL
- Would cover "all citizens" including legal aliens and those currently eligible for Emergency Services under Medicaid
- Reimbursement through Percentage of Medicare or Medicaid Fee Schedules (whichever is greater)



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Current Federal Proposals

Public Plan Option

- Multiple Payer Governmental Option
 - Four Different Proposals Each with Major Differences
- Makes a Public Plan Option Available to All Citizens who are not eligible for Medicaid, Medicare or CHIP
- Utilizes Current ACA Marketplace Structure
 - Cost Sharing Generally Follows ACA Marketplace Guidelines
 - Premiums Follow ACA Marketplace Guidelines
- Proposals Generally Utilize some Measure of Medicare Rates



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Current Federal Proposals

Medicare "Buy In"

- Multiple Payer Option
 - Two Different Proposals
- Provides Opportunity for Older Individuals to "Buy Into" to Medicare Program before Individuals Reach the Age for Medicare Eligibility
 - Opportunity for Ages 50 to 64
- Does not Replace Current ACA Marketplaces
 - Potentially Modify Marketplace Subsidies
- Cost Sharing Same as Medicare
- Reimbursement Same as Medicare

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Current Federal Proposals

Medicaid "Buy In"

- Provides Opportunity to "Buy Into" to State Medicaid Program
 - Each State would have to Elect to Provide this Option to Residents
- Essentially would Turn Medicaid into an Insurance Plan:
 - States would have to follow ACA guidelines on Premiums and Cost Sharing
 - States Could Set Premiums as long as Fair
 - Must Provide 10 Essential Benefits from ACA
 - Would Provide the Equivalent of a Silver Plan under the ACA
- Reimbursement would Generally Provide:
 - Primary Care Providers at Least Medicare Rates
 - Other Providers at Medicaid Rates

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CURRENT STATE PROPOSALS

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Current State Proposals

States Proposing Multiple Payer\Multiple Provider Options

- States include Massachusetts, Vermont, Minnesota, Colorado, Illinois, Nevada and Oregon
 - Proposals would result in Coverage for all State Residents
 - Proposals would use varying amounts of premiums and cost sharing
 - Proposals would provide reimbursement using models varying from rates based on Medicare to Medicaid rates
- Proposal for Universal Coverage has been Enacted in Massachusetts
 - Vermont Enacted but later Discarded

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Current State Proposals

States Proposing Single Payer\Multiple Provider Options

- States include California, New York and Pennsylvania
 - Proposals would result in Coverage for all State Residents
 - Proposals would use varying amounts of premiums and cost sharing
 - Proposals would most likely provide reimbursement using models varying from rates based on Medicare to Medicaid rates
- There are a lot of unanswered questions about these Single Payer Models.

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**THE REALITY OF
UNIVERSAL
HEALTHCARE**

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The Reality of Universal Healthcare

The Process Has Already Begun

- The fact is that the United States is Already Moving Toward Universal Healthcare
- The Affordable Care Act, passed in 2010, was the First Step
 - The Supreme Court Ruling on the Individual Mandate Made the ACA More of a Step than a Leap
 - However, the ACA started the Process of the Paradigm shift toward Universal Healthcare
- Current Proposals at the Federal and State Levels are Continuing to Push for the Goal of Universal Healthcare

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The Reality of Universal Healthcare

Impediments to Universal Healthcare

- Source of Funding
- Challenges with Achieving Lower Cost and Maintaining Quality of Care
- Political and Social Perception relating to:
 - "Socialized" Medicine
 - Loss of Choice in Providers
 - Timeliness of Services
 - Quality of Care
- Change is Difficult
 - The ACA is a Great Example of the Difficulty of Change

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The Reality of Universal Healthcare

When is Universal Healthcare Coming to the United States?

- Probably Not Soon on a Federal Level
 - Healthcare will be a Key Political Issue in all Future Federal and State Elections
 - There is a Real Questions Whether the United States is Ready Politically, Socially or Financially to Embrace Universal Healthcare
- Most likely State and Municipal Proposals will Continue to Gain Ground until the Concepts Become More Accepted
 - This Process will Take Years, if not Decades
 - However, the Change is Most Likely Coming

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The Reality of Universal Healthcare

When is Universal Healthcare Coming to Wisconsin?

- "Badgercare for All" is being championed by the Wisconsin Single Payer Alliance
 - However, there does not seem to be Political Support for this Movement
- Does not Seem Likely to Have a Universal Healthcare Proposal Gain Traction in Wisconsin in the Near Future.

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THANK YOU!

QUESTIONS?

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