

Understanding Medicare-X Choice

The <u>Partnership for America's Health Care Future</u> and KNG Consulting examined the impact Medicare-X Choice could have on the ability of hospitals and health systems to continue to provide access to high-quality care to their patients and communities with the release of a study, "<u>The Impact of Medicare-X Choice on Coverage, Healthcare Use, and Hospitals.</u>"

The study found Medicare-X would lead to the largest cut to the hospitals Americans rely on, while covering less uninsured Americans compared to improvements under the current health care system. Some of the study's other findings include:

- The study projects public plan enrollment of 40.7 million in 2024, with approximately 90 percent of enrollees coming from individuals currently insured on the non-group market or through employer-sponsored insurance (ESI).
- Of the 29.0 million currently uninsured, Medicare-X Choice would result in 5.5 million gaining coverage. By comparison, additional support of the Affordable Care Act would result in 9.1 million uninsured persons gaining coverage.
- Nationally, health care spending would be reduced by \$1.2 trillion (7percent) over the 10-year period from 2024 to 2033, with spending for hospital services being cut by \$774 billion accounting for almost two-thirds of the total spending reduction.
- The Medicare-X Choice reductions in health care spending and increases in coverage would be financed through reductions in provider payments, given that Medicare rates are significantly less than payments by commercial payers.

Whether it's called Medicare-X Choice, Medicare for All, Medicare buy-in, or the public option, one-size-fits-all government health insurance systems do nothing to address our top challenge: rising health care costs. These proposals would ultimately mean higher taxes, longer wait times, and lower quality of care for all Americans. We should lower costs, build on what's working, and fix what's broken to expand access to affordable, high-quality coverage for every American. A copy of the full report can be found here and a link to all of the Partnership's resources can be found here.

