

## Testimony regarding the need for equitable inclusion of Medicare

I am a board member of HCAO-Action and one of the original co-authors of SB 770, as well as the previous Health Care for All Oregon bills.

The intent of SB 770 was to design a single payer system, with estimates of cost and required new tax revenue. A Task Force recommendation of a multi-payer system excluding Medicare does not meet the intent of SB 770. Therefore, I agree with Task Force members who objected to the Medicare recommendation that was voted on at the last Task Force meeting.

I appreciate the analysis indicating there is no guarantee that CMS will approve an application for an Oregon state government entity to become a Medicare Advantage organization, and the warning that many existing waivers are temporary. This is why any single payer plan must include Medicare with a proper Congressional-authorized waiver. I have three concerns about not fully including Medicare. These have to do with inequity, unaffordability and complicating the ability to perform a financial analysis.

Section 3 of SB 770 states that, *“the Task Force ... shall produce findings and recommendations for a well-functioning single payer health care financing system that is responsive to the needs and expectations of the residents of this state by ... removing any financial incentive for a health care practitioner to provide care to one patient rather than another.”* This factor is critical for equity. It cannot be accomplished if providers receive less payment for Medicare patients than others.

Because Medicare pays less than private insurance, many providers avoid Medicare patients. If we put non-Medicare patients into a separate payment pool, that would motivate even more providers to avoid Medicare patients, creating significant inequitable access to care. Providers accepting both Medicare and a state payer have higher administrative expenses. Multi-payer systems have higher administrative costs than single payer systems. SB 770 states the Task force should pay hospitals with a global budget. The substantial cost savings of a global budget cannot be achieved if the plan excludes Medicare patients.

It is imperative that the Task Force creates an accurate account of what a single payer system in Oregon will cost. I am unclear about how this financial analysis would be performed if the plan may not be single payer.

The single payer movement is a marathon, not a sprint! The work of this Task Force is only one part of the marathon. Getting appropriate waivers should be pursued only after legislation is passed. Single payer legislation comes first. Having a written plan creates momentum for the push for waivers.

I appreciate all of the wonderful hard work that you all do. I'm excited to see the single-payer system that covers everybody that comes out of the work of this dedicated Task Force!

Thank you,

Debby Schwartz