Dear Marylanders,

Right now in 2017, we live in the state with the highest median income\(^1\) in the richest country in the history of the world. At the same time, more than 350,000 of us lack health insurance\(^2\) and total healthcare spending has increased by more than a trillion dollars in the last decade,\(^3\) choking small businesses and pushing our neighbors into poverty.

The current system isn’t working, and we have a moral and economic imperative to act. Marylanders deserve a better deal on healthcare and if Washington won’t act, we will. There is no structural reason for hundreds of thousands of Marylanders being unable to afford healthcare. We know how to fix our current system and we have the resources available to do it. But we haven’t. That is unconscionable.

It is long past time for change. A true Medicare for All system that extends affordable and quality healthcare to every Marylander – and saves countless lives in the process – is well within our grasp. Getting it done requires the courage to stand up to both the special interests who profit off our current system’s shortcomings and to those whose lack of political will continues to hold us back.

Maryland is better positioned than any other state to make universal healthcare a reality. In fact, Maryland’s existing “All-Payer” system makes this plan a natural progression rather than a radical change. Since Governor O’Malley last updated the program in 2014, All-Payer has saved $429 million and helped foster better care for countless Marylanders. We can build on this progress to achieve Medicare for All.

Nationally, we made great progress with the Affordable Care Act, but there is more to be done and there’s no question that our existing system remains broken. Our healthcare exists at the mercy of a dangerous demagogue in Washington who recently sabotaged our current system out of nothing but pure spite,\(^4\) causing rate increases as high as 76% in just one year.\(^5\) Our governor was more than willing to stand by and let the premiums we pay skyrocket because he’s more concerned with his own political interests than with doing his job to protect Marylanders.

These shortcomings deprive Marylanders of the healthcare they need to improve their lives and hold our economy back. Over the past 10 years, employers’ insurance rates have increased by 55% (nearly double the rate of inflation), often with sizeable and unpredictable yearly fluctuations.\(^6\) As any small business owner can attest, this uncertainty reduces hiring, leading to fewer jobs and less economic growth. The model of having businesses provide healthcare has never been ideal for either employers or workers. By separating the responsibility, we can free entrepreneurs to focus on growing their businesses and allow employees to find the best jobs available without worrying about losing their care.

We’re going to build a new model that will cover all Marylanders and get costs under control. No longer will families go bankrupt because a loved one suffers from a serious health condition.
All residents will be safer and healthier with access to key preventive health services like regular checkups and cancer screenings, thus reducing burdens on our health infrastructure down the road. Marylanders will be able to choose their healthcare provider rather than be dictated to by insurance companies, and healthcare decisions will be made by healthcare providers in consultation with their patients. Any Marylander with a great idea for a new business will be able pursue that passion and enrich our economy, without fear of losing healthcare coverage for their family.

Marylanders are ready. It’s time to listen to the people and implement a Medicare for All model that will strengthen families, boost our economy, and save lives.

Let’s get to work.

Sincerely,

Ben Jealous
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What Is MD-Care

MD-Care is a program that builds on the success of the Affordable Care Act and Maryland’s “All-Payer” system to ensure that everyone in Maryland has access to quality healthcare without financial barriers to care. This plan gives the power to make healthcare decisions back to the people of Maryland and their doctors and other healthcare providers. It will ensure that losing your job, or leaving it to start a new business, doesn’t mean you lose your healthcare.

What It Means for Maryland Families

You will have quality care for your entire family, regardless of where you work. There will be no hidden charges or unexpected out-of-pocket expenses. The plan will be straightforward, will apply to everyone, and will allow healthcare needs to be determined by your doctor, not the insurance companies. Each person will choose whichever healthcare provider they wish, not have those choices dictated by insurance companies.

What It Means for Maryland Businesses

In the last decade, insurance rates for employers have risen 55%. As a result, businesses have struggled to rationally design their benefits plans and manage costs, leaving employees in limbo. Even worse, small employers and large employers are treated completely different, making it harder for small businesses to succeed. Under MD-Care, all businesses will know well ahead of time exactly what their costs will be and will no longer have to administer healthcare benefits, since it will be a universal plan handled by the state. This will give Maryland businesses a significant advantage over regional competitors and make it easier to attract new employers to the state. It will also make it easier for an entrepreneur to start a new firm, since everyone will have guaranteed care, decoupled from their employer.

What It Means for the Underinsured and Those Priced Out Today

Despite the reforms of the ACA, too many people in Maryland have insurance in name only, with one recent report estimating 28% of adults are underinsured. This means that despite paying premiums, when the time comes to get care, out-of-pocket expenses make the treatment they need unaffordable.

Even worse, some people don’t even realize that there is a problem until after they receive care and are stuck with unaffordable bills. That will never happen under MD-Care. By eliminating out-of-pocket costs, we will ensure everyone gets the healthcare they need and end the problem of underinsurance.
What It Means for the Uninsured

Maryland has the highest median income of any state in the country, yet today 6.1% of people in Maryland – more than 350,000 people – do not have health insurance. Under this plan they will.

While there are many facets to this plan, it’s important not to lose sight of this fact. There are significant benefits for all Marylanders in this plan, especially those without insurance, and Maryland would finally live up to its moral obligation to ensure that everyone has quality healthcare.

How Can Maryland Succeed Where Others Have Failed?

Maryland is better positioned than any other state in the nation when it comes to Medicare for All because of our existing “All-Payer” model for hospital care. In most places, providers charge people different rates for care based on who is covering the cost. In addition to causing all sorts of administrative complications this system results in narrow provider networks and makes it difficult to control healthcare costs.

Because of All-Payer, this isn’t the case in Maryland. All-Payer reforms have moved hospitals away from fee-for-service and leveled reimbursement rates, regardless of who is paying. This is the first and one of the most important steps towards single payer.

Even better, the program has saved taxpayers money. Since Governor O’Malley last updated the program in 2014, All-Payer has saved $429 million, and we can build on this progress to achieve MD-Care.

The Maryland All-Payer Model Progression Plan, released in 2016, outlines the steps already being taken to extend this model further by 2019. In fact, the progression plan notes that “the All-Payer Model creates a foundation for health care payment and delivery transformation for all patients and payers.”

Maryland also has a larger percentage of people in care already paid for by the government than many other states. Because of our large federal workforce and aggressive ACA enrollment, we are well positioned to draw down federal dollars. By simply streamlining these existing programs, putting all payments into one pipeline, we can ensure better care and lower future costs.

Finally, we have the advantage of learning from others. While Vermont was unable to implement a plan in large part because of their small size (only about a 10th of Maryland’s), they studied this issue in depth and released a road map for success. California and New York don’t have governors willing to move forward, but their legislatures showed how to build the political will to move forward. Oregon hired the RAND Corporation to study the issue and give an objective assessment. All of these efforts have paved the way for Maryland to take the next step.

Why Not Just a Public Option?

In studying the possibilities to expand coverage, the RAND Corporation looked at a single payer model compared to a public option. In the 2017 study for Oregon, the RAND Corporation found that “adding a Public Option to the marketplace will not expand coverage substantially over current levels.” The study went on to note that “the Public Option would be the easiest of the three options to implement, but because it would not affect many people, it would be an incremental improvement to the Status Quo.”

A public option would not address administrative costs or guarantee coverage for all Marylanders and, given Maryland’s unique insurance market, would do little to reduce costs.
While the exact details of the plan design will require the input of lawmakers, healthcare professionals, and Maryland families, the broad outline is clear — better coverage that is both universal and comprehensive, with a package of benefits, predictable costs, and slower growth in healthcare expenditures.

**Medical Decisions Made by Doctors, Not Insurers**

Residents in this program will no longer require insurance approval for a particular procedure or need their doctor to fight with the insurance company over medically necessary care. Instead patients and doctors will determine what’s best.

**Eliminate Out-of-Pocket Expenses for Marylanders**

This plan will streamline costs and eliminate co-pays, high-deductibles, and other out-of-pocket barriers to coverage. This represents a drastic change from the current status quo. Average premiums for employer-sponsored family plans reached $18,764 in 2017.\(^\text{17}\) The out-of-pocket limit for an ACA Marketplace plan reached $7,150 for individuals and $14,300 for a family.\(^\text{18}\) Given these expenses, it’s no wonder that more than 10% of Marylanders cannot even afford to see a doctor.\(^\text{19}\)

Insurance companies and special interests will argue that this plan is an increased burden on Maryland families. But the reality is that health insurance today is already far too expensive for many families and this plan will finally make healthcare a right for all Marylanders.

**Additional Coverage Beyond Current Medicare/Medicaid**

MD-Care will provide more financial protection for families than a platinum plan on the ACA exchange.\(^\text{20, 21, 22}\) In addition, it will expand mental health coverage beyond what is currently provided in public healthcare and most private plans,\(^\text{23}\) immediately end the prescription drug “donut hole” for seniors, and increase access to vision and dental coverage for Marylanders.
Comprehensive Mental Health Coverage

Maryland is failing across the board when it comes to mental health. In fact, the Hogan administration has been taken to court over its inability to provide beds to those in need, and in 2016, Maryland’s top health official “told a Baltimore judge...that he should have asked for more money in this year’s state budget to relieve a bed shortage that has prompted his department to turn away patients from state mental hospitals.”

There is a fundamental problem with the current design of mental health coverage in our state. While the All-Payer model helps ensure that there is comprehensive mental health coverage while someone is in hospital care, as soon as they are moved to out-patient or other care, a patient is no longer fully treated and monitored by providers. By extending the All-Payer model to non-hospital providers in the state, we can ensure that patients receive proper mental healthcare no matter where or how they get treatment.

Nursing Homes and Long-Term Care

Today’s nursing homes are far different than those of the past. Our unique All-Payer Progression Plan and the ACA are driving rapid changes to our healthcare delivery system. Marylanders from all walks of life rely on these facilities, but Medicare only covers the first 100 days of stay and then other payers, often Medicaid, must pay the bill. MD-Care will look to ensure that vulnerable residents, parents or grandparents, young adults paralyzed from a motorcycle accident, or siblings with a developmental disability, can afford the around-the-clock quality care they deserve. Care delivered by home health aides and assisted living facilities will also be explored.

End the Donut Hole for Seniors

MD-Care will immediately end the prescription drug coverage donut hole that exists in Medicare Part D. While the ACA has made important progress on reducing the gap, there is still work to do. With the passage of MD-Care, we can ensure no senior has to choose between their medicine and their food.

Vision and Dental

MD-Care will provide comprehensive vision and dental coverage for Marylanders. While this is important for everyone, it is especially important for our children.

The Johns Hopkins University conducted a study in Baltimore to determine if part of the achievement gap between rich and poor children could be closed simply by providing glasses to students who needed them and the results were clear. The study found that, “The outcomes were notable even with the small sample size—reading proficiency improved significantly compared with the children who did not need eyeglasses.”

Maryland is ahead of many states by requiring vision screenings for pre-K, first, and eighth grade students, but this doesn’t ensure that every child who needs glasses gets them. In Baltimore alone, it is estimated that 10,000 (out of 62,000) students between pre-K and eighth grade don’t have the glasses they need. Bulk purchasing as a single payer will drastically reduce costs.

A recent nonprofit effort, Vision for Baltimore, made important progress and preformed nearly 18,000 vision screenings and distributed free glasses to around 2,000 children. That still leaves thousands of children without the glasses they need to succeed in class.

This is why we must ensure all children in Maryland have access to vision and dental coverage. Under MD-Care every Marylander will be covered.
How Will This Plan Impact Medical Populations?

Currently Uninsured
This population will have access to quality healthcare as soon as the plan is implemented. In the meantime, these individuals will be targeted for Medicaid, CHIP, and other programs they may be eligible for in order to reduce the uninsured population and maximize federal dollars going into the waiver requests.

Outreach and Integration
Once MD-Care is implemented, it will be important to build upon the health navigators program in the Affordable Care Act to ensure that this population is properly integrated into the new program. We will also engage in a robust outreach program to ensure that people who previously lacked coverage know that they are eligible for care (especially those not eligible for Medicaid or subsidies in the ACA).

Medicaid and CHIP Population
This population will be fully integrated into the program. In order to comply with federal regulations and secure a 1115 Medicaid waiver, enhanced coverage in Medicaid (like transportation costs) would be provided for this population. This will also be true for those currently enrolled in Maryland’s CHIP program.

Employers with Private Coverage
This system will end premiums for participants, reducing costs to most employees and employers. It will be important to create a system that ensures covered employees also see the benefit of this change. MD-Care will explore creating safeguards to ensure that employer savings are passed down to the workers in increased wages, and guarantee that workers see real savings instead of having all of the gains captured by employers no longer paying premiums.

Federal Workers Currently Covered Under Federal Employees Health Benefits (FEHB) Plans
MD-Care will negotiate with the federal Office of Personnel Management so that Maryland Care is offered to federal employees living in Maryland, coupled with whatever other benefits are available within the FEHP.
Non-Resident Employees

This will be a question that an advisory panel will have to address and will likely depend on the funding model used. Vermont’s plan included these workers in coverage because the plan was primarily paid for by a payroll tax, but this may not make as much sense with other funding models.

Workers in a Collectively Bargained Plan

It will be incredibly important to bring workers and their union representatives into the design process of this plan. This plan will meet or exceed the healthcare coverage offered to employees in the state, and we will work with stakeholders to ensure a fair and simple transition. Nothing in this plan would prevent additional benefits and supplemental coverage as part of a collective bargaining agreement.

Medicare Population

Those who want to keep their existing Medicare program will be able to. MD-Care will offer more robust coverage with lower out-of-pocket expenses and it is likely that most seniors will transition over. In order to maximize federal dollars, MD-Care will explore gaining permission to operate as a Medicare Advantage plan and as a Medicare supplement plan (Medigap).

Medicare Part D

In order to increase the pool of residents that the state can negotiate lower prescription drug prices for, Maryland will explore designing a CMS-compliant Medicare Part D option. This will allow all seniors in Maryland to get the same drug prices that all other residents will be able to obtain by negotiating as a single block. While the federal government is prohibited from negotiating lower prices with PHARMA, the state of Maryland would not be prohibited.
The First Steps Towards Implementation

This document outlines the broad contours of what MD-Care would look like. However, this program won’t be successful without the participation of regular Marylanders, labor unions, the business community, and those in the healthcare industry. The next step will be to start the process of fully studying the issues identified in this plan and to create a working group to map out what final implementation looks like. In addition, it will be important to start designing the federal waivers needed to be able to access existing federal healthcare spending.

Create an Advisory Panel to Begin Outlining Key Issues

This program will represent a significant change to how care is financed in Maryland, and it will be important to have support from stakeholders to ensure a successful and informed transition. The first step will be to create a panel composed of doctors and nurses, business and labor leaders, patient advocates, and state and local officials to collect feedback and begin to tailor MD-Care to properly meet the needs of Maryland. It will address questions such as the plan’s actuarial value, the best tax structure to fund the program, cross border issues, and how providers will be enrolled and paid. The goal will be to issue a report within six months to ensure that legislation can be introduced in the 2020 session to move forward. This will allow Maryland to continue to make progress while also monitoring the 2020 presidential election to ensure that we don’t duplicate efforts with any potential federal healthcare changes.

Begin the Process of Designing Federal Waivers

Within the first 90 days, the Jealous administration will direct the Maryland Department of Health and the Health Services Cost Review Commission to begin the waiver drafting process. While some of the specific details will need to be determined by the advisory panel, designing these waivers will take some time.

The ACA waiver will require authorizing legislation before the state can apply, but Maryland can begin to design these waivers as soon as there is a governor willing to try. These waivers will be key to the program’s success and Maryland will be the first state to test how far the Trump administration is willing to go in giving states control.
The most expensive option is to keep the status quo. MD-Care presents an opportunity to get skyrocketing costs under control. From 2005 to 2015, total American healthcare expenditures increased from around $2 trillion to $3.205 trillion, an increase of more than 58%. In Maryland, we saw a 51% increase in costs from 2005 to 2014.
This is simply unsustainable, and MD-Care offers an opportunity to finally get costs under control. Administrative savings could quickly add up to billions of dollars in Maryland and fully expanding the All-Payer model would finally allow us to bend the “cost curve” in medical spending.

In addition, by ensuring the plan is designed properly to reduce costs and maximize federal dollars, we can further reduce the healthcare burden on Maryland taxpayers.

**Administrative Cost Savings**

By moving everyone into a unified system, we can benefit from economies of scale and reduced complexity. The RAND Corporation’s study of Oregon’s healthcare system estimated that about 8.2% of all healthcare spending goes toward administrative costs and that single payer would lead to savings of around $600 million dollars, or about 7.5%.

Over just a few years, similar results in Maryland would lead to billions of additional dollars going to care, rather than administration.

**Savings from All-Payer**

Since 1977, Maryland has had a waiver from the federal government known as “All-Payer” that ensures everyone, whether on Medicare, Medicaid, or private insurance, pays the same rate in Maryland hospitals.

More recently, Maryland hospitals have gone to a “global payment” model, rather than fee-for-service model. This means hospitals are reimbursed for meeting health outcomes rather than paid for every single service. In the three years since the most recent changes were implemented by Governor O’Malley, Maryland estimates it has generated $429 million in savings, and costs per beneficiary grew 4% slower in Maryland than the national average. By expanding this model beyond hospitals, we can have predictable medical spending and lay the foundation needed to make single payer a reality.

All-Payer has proven that we can reduce the growth in healthcare expenditures without reducing care, but it has not expanded coverage. By building off All-Payer and creating a single payer system, Maryland will be able to lower costs even further, as the state government will have maximum leverage to negotiate prices with healthcare providers and pharmaceutical companies.

**Why Should We Believe These Costs Savings?**

In Maryland, these costs savings aren’t theoretical; they are already happening as a result of the 2014 All-Payer Waiver. In fact, the Hogan administration has certified that All-Payer (as a result of O’Malley’s 2014 changes) has resulted in $429 million in savings over the last three years. MD-Care is simply taking our existing All-Payer model a step further.

**Determining the Best Way to Pay for MD-Care**

As part of implementation, we will task the advisory panel with studying the various ways to pay for this plan. Any change to the way healthcare is paid for will have pluses and minuses and this report will allow the Legislature to make an informed decision about the best way to pay for MD-Care. In addition, we will work with the Legislature to estimate the costs of various versions of this plan. The reality is costs will vary based on how many additional federal dollars can be accessed, the actuarial value of the plan, treatment of out of state workers, and scope of coverage.
There is no question that any plan will have significant cost savings compared to current healthcare spending, while also moving most healthcare dollars away from the insurance companies and into the plan. These variables will determine the final cost of the plan and the revenue requirements. Among other revenue options the advisory panel will consider:

**Income Based Premium Paid by Employers**
This premium would be a deductible business expense, meaning this plan will have the same tax advantage status as employer provided healthcare. However, it is unknown how businesses will react to this, and significant input from the Maryland business community will be needed. Businesses would have predictable health insurance costs instead of double-digit increases with no end in sight.

**Sales Tax**
Having some portion of the plan paid for by a sales tax would have several advantages, including capturing revenue from non-Marylanders. It would also reduce the amount of revenue needed on the payroll side, thus reducing the taxation burden on new employment. At the same time, a sales tax is regressive by nature, so any tax increase on working Marylanders would have to be measured against the net benefits received from this plan.

**Non-Payroll Income Premium**
A non-payroll income premium would ensure that the most financially successful in Maryland pay their fair share of taxes. The advisory panel will need to study the tax sensitivity of these higher earners to ensure that any increase doesn’t result in significant population shifts in the region to avoid any changes to the Maryland income tax system.
Federal Waivers and Other Impediments

As Democrats, too often our opening offer is half a loaf of bread, but we settle for even less. We’re never going to get to Medicare for All and expand affordable and quality health coverage to every Marylander if we don’t do the hard work and show the federal government that Maryland is ready.

To that end, there are specific waivers that will need to be requested and other obstacles that must be dealt with.

The first step will be to direct the Department of Health to begin that process on day one, while ensuring that we get input from a wide variety of voices in the community.

**ACA Section 1332 State Innovation Waiver**

An important feature of the Affordable Care Act is the flexibility it gave states to try something better, starting in 2017. The law created so-called “1332 State Innovation Waivers” that allow states to use the federal dollars provided in the ACA for their own custom programs as long as they were as effective as the ACA. The waiver requires that the following criteria are met:

- a) The state waiver ensures that individuals get insurance coverage that is at least as comprehensive as provided under federal law;
- b) The state waiver ensures that individuals get insurance coverage that is as affordable (i.e. cost-sharing and protections against out-of-pocket spending) as it would otherwise be under federal law;
- c) The state waiver ensures that as many people are covered as under the federal plan; and
- d) The state waiver will not increase the Federal deficit.

MD-Care will meet all of these requirements. While this will require approval from the Trump administration, it is important to note that the Health and Human Services Administration (HHS) recently signaled a willingness to allow states to experiment. The HHS sent a letter to governors on March 13th, 2017 that indicated the administration was “seeking to provide more flexibility and opportunities for innovation on the state level.”

**Section 1115 Medicaid Waiver**

In addition to the broader ACA waiver, the state will also have to apply for a Medicaid waiver. This waiver effectively requires budget neutrality to the Medicaid program and the approval of the Secretary of Health and Human Services. The advisory panel, the Maryland Department of Health, and the Health Services Cost Review Commission will work to design a waiver request.
ERISA

The Employee Retirement Income Security Act of 1974 (ERISA) is a federal law that “sets minimum standards for most voluntarily established pension and health plans in private industry...” and that supersedes state law. Currently, every state but Hawaii is subject to ERISA.

The most technically difficult part of this plan will be ensuring that it is designed to avoid any potential ERISA challenges. Vermont passed a law that simply required private companies to give the state data on how they paid medical claims. Liberty Mutual Insurance sued, claiming this benign request violated ERISA, and in 2016 the Supreme Court agreed. As this plan is designed and the costs determined, it will be important always to be aware of potential ERISA challenges and ensure that no steps create a plan that the Supreme Court will strike down.

State and Local Tax Deduction

The major advantage of an employer-funded income premium on payroll is that it is deductible on federal taxes, just like health insurance premiums currently are. However, if the current GOP tax bill in the House or Senate were to become law, individuals or businesses could lose this deduction and MD-Care would put Marylanders who itemize their taxes at a disadvantage. This is yet another reason to oppose current GOP tax “reform” efforts.

Existing Healthcare Administrative Workers

This plan and the Maryland All-Payer Model Progression Plan call for widespread use of emerging new titles in healthcare such as coordinators and community health workers to ensure that high risk populations are being treated properly (and at lower cost). This offers an opportunity to minimize the net disruption to employment by ensuring job retraining and preferences for those who previously worked at private insurance companies. Instead of thousands of workers in Maryland being paid to deny access to care, they can now be paid to provide healthcare.

In addition, there is going to be a need for administrative employees to ensure that Maryland is complying with all federal law so we can continue to draw down dollars for Medicare, Medicaid, CHIP, and the ACA.

Protecting Small Businesses

We will also look at ways to ensure that small businesses and new companies succeed under this plan. This could mean exempting small businesses and start-ups from additional taxes associated with MD-Care depending on revenue or firm age. The advisory panel will work with the small business community to design an exemption that makes the most sense.

Reduced Benefits of Scale Compared to National Plan

While this plan will go a long way, it is also worth noting that the efficiency of scale in a state plan is far less than what would be achieved in a nationwide Medicare for All program. In many cases, we may have to modify benefits to take this into account. This is why support for a national Medicare for All program is critical. Maryland will take the first steps that the Trump administration is unwilling to, but the largest benefit will occur when we have a nationwide single payer plan.
Implementation Timeline

This plan calls for significant changes to Maryland’s healthcare sector; there will be hiccups along the way. It will be critical that changes are made on a realistic timeline and any potential change is communicated clearly to all Marylanders. There will need to be circuit breakers built into implementation to ensure that this transition only occurs when all necessary preparations have been taken. Senator Bernie Sanders’ national plan had a four-year implementation timeline. This is a reasonable timeline for implementation in Maryland as well.

Preventing Increase in Nonfinancial Barriers to Care

The current healthcare system in this country erects serious barriers to care: narrow networks, pre-authorization requirements, gatekeeping and other managed care approaches. This makes it harder to see a doctor and get the basic care that everyone deserves.

Every healthcare system makes policy that impacts patients’ access to care; this will be an important area to monitor as we implement MD-Care. Today, insurers restrict access for their bottom line. With that gone, we will be able to operate in a transparent and accountable way to guarantee timely care for all.

Ensuring Stability in an Economic Downturn

When Maryland’s economy experiences a recession, people lose their jobs and either lose their healthcare coverage or are offered temporary, nearly unaffordable, coverage. MD-Care would end this by providing continuous coverage regardless of employment status. This presents a funding problem, though, because nearly all revenue streams (sales, income, property, etc.) decline in a recession.

However, as All-Payer has already shown, MD-Care will result in significant cost savings. In order to ensure adequate funding regardless of economic conditions, we will create a constitutionally protected fund that captures a small portion of the annual savings and invests these funds in low-risk government bonds and other low risk assets. This fund can only be tapped once certain negative economic conditions are triggered, ensuring that MD-Care will be financially viable regardless of economic conditions. As an added bonus, this will serve as an automatic counter cyclical stimulus, potentially easing the effects of a recession.
1. “MEDIAN HOUSEHOLD INCOME (IN 2016 INFLATION-ADJUSTED DOLLARS),” United States Census, 2016 data
5. “Maryland insurance regulators increase rates to cover Trump subsidy cuts,” McDaniels, Baltimore Sun, 10/25/2017
7. “Hogan rides high, Trump sinks low in new Maryland poll,” Baltimore Sun, 11/14/17
12. “Maryland All-Payer Model,” Centers for Medicare & Medicaid Services, 10/31/2017
19. “Assessing the Impact of Health Care Reform in Maryland,” Department of Legislative Services, Office of Policy Analysis, Maryland General Assembly, 1/9/2017, Page 38


23. In the healthcare industry, plans are measured by “actuarial value.” The value of a plan shows how much of an average person’s healthcare expenses are covered by the plan vs. paid out-of-pocket. By law, a silver plan on the ACA exchange has an actuarial value of 70%, while a platinum plan has a value of 90%. This plan will have an actuarial value above the ACA platinum plan and will likely be in the range of other proposed Medicare for All plans. For example, the plan unveiled in Vermont ultimately had an actuarial value of 94%, whereas the Oregon study estimated an actuarial value of 96%.

24. “As judge considers holding state in contempt, Md. health secretary defends psychiatric care,” Wood, Baltimore Sun, 8/15/2017

25. “Maryland health chief says it was mistake not to seek more money for mental health beds,” Dresser, Baltimore Sun, 8/2/2016


28. “Program aims to get every needy student a pair of glasses,” Cohn, Baltimore Sun, 5/10/2016


30. “Choosing a Medigap Policy,” Centers for Medicare & Medicaid Services, 2017


33. “Health Care Expenditures by State of Residence (in millions),” Kaiser Family Foundation


35. “Health Care Expenditures by State of Residence (in millions),” Kaiser Family Foundation

36. Medicare Advantage draw down, increased ACA enrollment prior to application, full outreach to eligible populations, etc.

38. “Maryland’s all-payer model—achievements, challenges, and next steps,” Health Affairs, 2/1/2017


42. “FIVE KEY QUESTIONS AND ANSWERS ABOUT SECTION 1115 MEDICAID DEMONSTRATION WAIVERS,” Kaiser Commission on Medicaid and the Uninsured, June 2011

43. “Health Plans & Benefits: ERISA,” United States Department of Labor

44. “ERISA and Health Plans,” Employee Benefit Research Institute, 11/1995


46. “Here’s What’s In Bernie Sanders’ ‘Medicare For All’ Bill,” NPR, 9/14/2017