

Trump Administration Rejects an Option to Buy Into Medicare

By Shira Stein

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- Health agency head makes first argument against Medicare buy-in option
- Private insurers couldn't compete, he said

The top Trump administration health-care official said Dec. 4 that allowing people to buy into Medicare plans would cause the “complete and utter destruction of the employer-sponsored health insurance system.”

The “public option,” a government plan that would exist side-by-side with private insurance, is effectively just another iteration of a proposal to extend Medicare eligibility to everyone, Health and Human Services Secretary Alex Azar said during his remarks at an American Enterprise Institute event. The “Medicare for All” idea was touted by some progressive Democratic candidates in the most recent mid-term elections.

The administration’s health-care officials have previously argued against Medicare for All, but this is the first time any of them have argued against allowing people currently ineligible for Medicare to buy into the program.

The plan would crowd out other insurers because Medicare is well-liked by the public and “there is simply no way private-sector insurance could compete” for patients, Azar said.

Azar said similar systems around the world have caused better doctors and hospitals to opt out of participating in those systems. He added that a similar situation could happen in the U.S., which would hurt seniors in Medicare.

Midterm candidates who ran on a Medicare buy-in option in competitive districts fared better than those who campaigned on a universal public health-care system, according to a previous Bloomberg Government analysis.

But new progressive members of Congress have been adamant that they won't support the option, which they see as more moderate than a universal health-care system.

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