

Bernie Is Right. We Should Immediately Expand and Improve Medicare

Via [Jacobin](#)

We've reached a critical point in the campaign to win Medicare for All.

For the first time in a decade, the decisive health care question is on the table in Congress: Should we continue with the commercial health insurance system, or should we improve and expand Medicare?

Should we make the expanded subsidies for purchasing commercial insurance permanent, as Democratic leaders like Nancy Pelosi prefer, or should we lower the eligibility age for Medicare, while covering dental, hearing, and vision and capping all out-of-pocket spending at \$2,000 per year, as Bernie Sanders proposes?

The choice is not wholly satisfactory. In order to achieve the cost savings, eliminate the denials of care, and guarantee health care to all, we really need (an improved) Medicare to cover everybody. Expanding Medicare does not eliminate the profits and waste of the status quo. (The [Congressional Budget Office](#) estimates that Medicare for All would save \$650 billion per year versus the current system as organized under the Affordable Care Act [ACA].) Most important, an age-based expansion would leave over one hundred million residents of the United States at the mercy of employer-provided health benefits.

But unfortunately, Medicare for All isn't yet winnable. Expansion is. And Sanders's age-based approach would bring in those whose station in life has made them especially

vulnerable to the health care industry, while also contesting the commercial insurance alternative and exposing the Democratic Party's deference to the health care industry. It would get us qualitatively closer to Medicare for All.

Advocates for expanding the ACA system claim that it is the best way to get more health care for the dollar – an astonishing position given the level of profits that insurers have raked in during the pandemic (including \$12.4 billion for UnitedHealth), none of which have gone to a single case of patient care. With Medicare administration outlays at 2 percent and commercial insurance expenditures at least 12 percent (plus profits), it's clear which is the more efficient way to deliver health care. We need to eliminate the commercial insurers.

Centrist Democrats like to say that we should protect what we have and build on it, touting the strategy as the safe political path. But how safe is that path if it doesn't solve the problem? How safe is it if average workers continue to suffer and see politicians do nothing about it?

Health care costs continue to rise above other key indicators, including GDP growth and Consumer Price Index rates. The average individual deductible for employer-provided insurance is \$1,644, [up from \\$917 in 2010](#). Hospitals and insurance companies can charge whatever they want, and both have anti-trust exemptions, so collusion is rampant. Higher prices mean higher profits.

The ACA tax subsidy is hugely beneficial to insurance companies, a boon to hospitals who rely on commercial insurance – and devastating for rural and urban hospitals serving working-class communities. Corporate hospital chains have closed dozens of hospitals in the last decade alone.

The ACA has failed to control costs, while boosting industry profits and underwriting continued denials of care ([nearly one](#)

[in five claims](#) submitted to ACA exchange plans are denied annually). The ACA has increased out-of-pocket costs and limited patients' choice of providers. How is maintaining that model politically wise?

On top of that, expanding ACA subsidies only deepens the competitive disadvantage of companies that pay for employee health benefits (as nearly all union employers do) and makes winning collective bargaining agreements and new organizing drives more difficult. By contrast, extending Medicare eligibility to younger workers could give union-bargained plans a new lease on life – reducing costs by 25 percent or more.

Pro-business Democrats are willing to make these trade-offs. Millions of people have gotten coverage (though mostly through an [expansion of Medicaid, not private insurance](#)); thousands of lives have been saved; and the Democratic leadership has been able to avoid embarrassing political fights.

Poor and working-class people haven't been so lucky: a [Lancet Commission report](#) identified 461,000 “excess” US deaths in 2018 above the median for comparable countries with national health care. In a recent report, [Public Citizen](#) identified hundreds of thousands of COVID-19 deaths that could have been avoided if the United States had a Medicare for All system. These deaths were concentrated in predominately black and brown neighborhoods of essential workers, and among those with chronic conditions exacerbated by the lack of health care. Continuing to subsidize private insurers perpetuates their murderous business model.

It is time to stop propping up the current system. It is time to stop “fixing” the ACA. The best way to save lives is by guaranteeing health care to all through an improved and expanded Medicare – and putting us one step closer to Medicare for All.