

HIT: Cindy Axne wants to expand government-run health care for all. This so-called public option could cost taxpayers over a trillion dollars, raise income taxes on the middle class, and threaten the access of care for Medicare recipients.

BACKUP:

Axne Supports Instituting A Public Option:

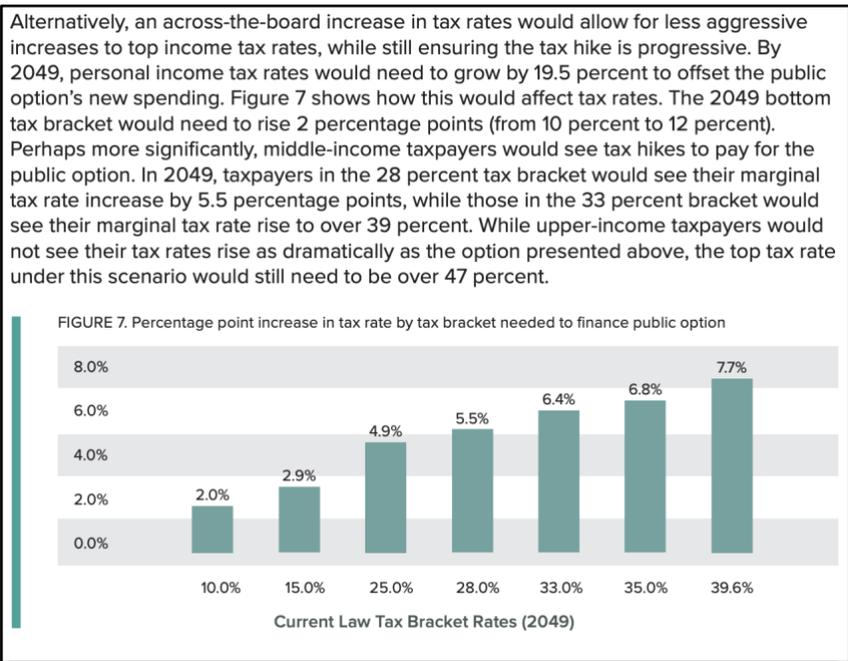
- **According To Her Campaign Website, “Cindy Is Fighting For A Public Option That Allows Americans To Buy Into Medicare.”** “In Congress, Cindy is fighting for a public option that allows Americans to buy into Medicare so that every American has access to affordable, high-quality healthcare. Cindy is working to maintain and improve the Affordable Care Act, stop House Republicans from allowing the return of lifetime limits, make sure that people cannot be discriminated against for having a pre-existing condition, and lower costs including prescription drugs. Finally, Iowa ranks dead last for state psychiatric beds per capita; that’s unacceptable.” (“Affordable, Effective Healthcare for All,” [Cindy Axne For Congress](#), Accessed 8/26/20)
- **At A December 2019 Town Hall In Guthrie, Iowa, Axne Said She Supports A Public Option To “First And Foremost, Give People A Choice.”** “Uh, yes I am in support of a public option for healthcare. I believe that every single American should have access to quality, affordable healthcare. So I’ve since, since I started running this race that I believe folks should be able to buy into Medicare so that we can do many things. First and foremost, give people a choice. If they want to keep their own insurance, they can keep their own insurance. If they want to buy into Medicare because they think that that’s the best for them, they’ve got that opportunity.” (“Cindy Axne reaffirms her support for a public option,” [YouTube](#), 12/21/19)
- **During Her 2018 Campaign, Axne Supported “Shoring Up President Barack Obama’s Affordable Care Act” And Providing A Public Option That Would Allow People To Buy In.** “Axne favors shoring up President Barack Obama’s Affordable Care Act and providing a public option that would allow people to buy into government-run health insurance that would compete with privately-run health insurance companies.” (William Petroski, “Cindy Axne, 3rd District Democrat: ‘I Have Pretty Sharp Elbows’ To Do What’s Right,” [Des Moines Register](#), 5/1/18)
- **In A December 2017 Op-Ed In The *Des Moines Register*, Axne Outlined Her Support For A National Public Healthcare Option.** “Instead of Republicans and Trump trying to tear down our health care system, we need Congress to make it better. That should start immediately with a real public option that allows Americans a true choice - why shouldn’t we be able to choose Medicare or Medicaid if we’re getting gouged by private insurers or they’re walking away from our state?” (Cindy Axne, “Public Option For Health Insurance Would Prevent Sleepless Nights,” [Des Moines Register](#), 12/19/17)

A National Public Option Could Cost \$1.5 Trillion, Raise Taxes On The Middle Class, And Threaten The Access Of Care For Medicare Recipients:

- **The Public Option Could Cost \$1.5 trillion.** “Under ‘Medicare for All,’ the federal government picks up basically the whole bill. As a result, according to Urban, the federal government’s spending on health care would increase by \$34 trillion over the next decade.

Federal spending would go up under the ‘public option,’ too, but by a lot less: just \$1.5 trillion over that same time period.” (Dan Gorenstein, “New report stacks up ‘Medicare for All’ and the ‘public option’ by cost and coverage,” [WHYY PBS](#), 10/16/19)

- **Medicare Is Currently Projected To Run Out Of Funding By 2026.** “Medicare’s hospital trust fund is expected to run out of money in 2026, three years earlier than previously projected, the program’s trustees said in a new report published this afternoon.” (Paul Demko, “Medicare to Go Broke Three Years Earlier Than Expected, Trustees Say,” [Politico](#), 6/5/18)
 - **The American Hospital Association Claims A Public Option Would Depress Insurer Payments And Disrupt The “Fragile Finance System That Sustains Hospitals Today.”** “However, our members have serious concerns that creating a public option with Medicare-like payments would subvert those goals by depressing insurer payments to health care providers and disrupting the fragile finance system that sustains hospitals today.” (“Comments on the Public Option,” [American Hospital Association](#), 7/8/16)
- **According To A 2020 Study By The Partnership For America’s Health Care Future, A “Politically Realistic” Public Option “Would Likely Require Tax Increases On The Middle Class.”** “Using historically realistic assumptions, we estimate a politically realistic public option would increase federal deficits by \$700 billion over 10 years, with dramatically larger losses in subsequent years. To avoid large increases in deficits, this public option would likely require tax increases on middle-income families.” (“The Fiscal Effects of the Public Option,” [Partnership for America’s Health Care Future](#), 1/24/20)
 - **In An Across-The-Board Tax Increase, Middle Class Taxpayers In The 28% And 33% Bracket Could See Their Taxes Raised By 5.5% And 6.4%.**



(“The Fiscal Effects of the Public Option,” [Partnership for America’s Health Care Future](#), 1/24/20)

- **Adding Millions More Into Medicare “Would Likely Threaten Access To Needed Health Care Services,” Particularly Those In Vulnerable Communities.** “Medicare already pays less than private insurance for the same procedures, the groups wrote, and ‘adding millions more enrollees whose health care would be reimbursed at Medicare rates would likely threaten access to needed health care services, particularly for those in vulnerable communities.’” (Nathaniel Weixel, “Hospitals Decry Public Option in Democratic Platform,” [Bloomberg.com](https://www.bloomberg.com/news/articles/2016-07-12/hospitals-decry-public-option-in-democratic-platform), 7/12/16)
- **Paying Hospitals By Medicare Rates, Like A Public Option Does, Could Threaten The Access Of Care For Medicare Beneficiaries.** “Simulations that take into account the lower Medicare payment rates, other payment provisions, sequestration, changes to Medicare and Medicaid disproportionate share hospital payments, and coverage expansions collectively suggest a deterioration of facility margins for hospitals, skilled nursing facilities, and home health agencies, particularly over the long run. From 2017 through 2027, the simulations suggest that up to 5 percent more hospitals would experience negative total facility margins and that approximately 10 percent more would experience negative Medicare margins. Other factors, such as efforts to improve efficiency in lower-performing hospitals, could mitigate some of the impact of the ACA payment provisions, though there is a wide range of uncertainty regarding these types of behavioral changes. By 2040, simulations suggest that approximately 40 percent of hospitals, roughly two-thirds of skilled nursing facilities, and nearly 80 percent of home health agencies would have negative total facility margins, raising the possibility of access and quality-of-care issues for Medicare beneficiaries. A memorandum on these provider margin simulations is available on the CMS website.” (The Boards Of Trustees, Federal Hospital Insurance And Federal Supplementary Medical Insurance Trust Funds, “2019 Annual Report of the boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds,” [Annual Report](https://www.cms.gov/medicare/annual-report), 2019)

 - **A Public Option Would Pay Hospitals By Medicare Rates.** “Several recent health reform proposals aim to reduce future spending on health care while also expanding coverage to the nearly 28 million Americans who remain uninsured, and providing a more affordable source of coverage for people who struggle to pay their premiums. Some have argued that these goals can be achieved by aligning provider payments more closely with Medicare rates, whether in a public program, like Medicare-for-All, a national or state-based public option, or through state rate-setting initiatives.” (Lopez, Neuman, Jacobson, and Levitt, “How Much More Than Medicare Do Private Insurers Pay? A Review of the Literature,” [Kaiser Family Foundation](https://www.kaiserfamilyfoundation.org/), 4/15/20)