## Written Testimony Larry Bucshon, M.D. Member of Congress

## Before the House Committee on the Budget Hearing on Fiscal Year 2020: Member's Day March 6, 2019

Chairman Yarmuth and Ranking Member Womack,

Thank you for giving me the opportunity to appear today before the committee to talk about the detrimental impact that Medicare for All would have on the federal budget and the health care of all Americans.

As you know, Medicare for All would establish a government run, single payer health care system that would completely upend the health care system as Americans know it today. For example, Medicare for All would:

- Take away the health care plans of more than 150 million Americans by prohibiting employers and unions from offering any competing health benefits.
- End Medicare as seniors today know it by eliminating Medicare Advantage plans, which are popular with seniors and deliver higher quality health care at a better price than traditional Medicare.

Medicare for All – which would be the only health care plan allowed under federal law – would only pay for treatments and services that the federal government determines are necessary or appropriate for the maintenance of health or for the diagnosis, treatment, or rehabilitation of a health condition. The result of this total government takeover of Americans' health care would place Washington bureaucrats – and not doctors and patients – completely in charge of the health care decisions of Americans. Not only will Washington decide what health care services and treatments Americans have access to, but it will effectively decide the physicians and health care providers that you can see.

Medicare for All would also authorize a government takeover of health care treatments by allowing the federal government to steal a company's intellectual property if the company and the federal government cannot come to an agreement on the price of a particular treatment. Not only would this completely do away with the Constitutionally-protected right to intellectual property, but it would likely have a chilling effect on innovation of new treatments and cures – as well as the associated good-paying jobs of tens of thousands at these companies, as America is the global leader in medical innovation. Under Medicare for All, what company would spend tens of millions of dollars developing the latest medical breakthrough only to see the federal government take it away?

Not only would Medicare for All be bad for the health care of Americans, it would be catastrophic for the fiscal health of the nation. Our nation is already on a spending-driven path to fiscal bankruptcy. On our current budget path, CBO's June 2018 Long-Term Budget Outlook<sup>1</sup> projects that spending will exceed 25 percent of GDP by 2034 and debt held by the public will exceed 100 percent of GDP even earlier in 2031. Apart from a short, temporary period during World War II, federal spending and publicly-held debt have never reached the astronomical levels that we're projected to reach on a sustained and growing basis in the near future. Medicare for All would accelerate our movement down this path. Under this plan, the federal government would foot the bill for 100 percent of all health care services and treatments. Beneficiaries would have zero cost-sharing – meaning no deductibles, coinsurance, copayments, or similar charges, imposed on an individual for any benefits provided. By conservative estimates of a less comprehensive version of Medicare for All than the version recently introduced in the House of Representatives, this plan would add approximately \$32 trillion over a ten year period to the federal budget<sup>2</sup> – which is approximately \$255,000 per American household, on average. As humorist P.J. O'Rourke once said, "If you think health care is expensive now, wait until you see what it costs when it's free."<sup>3</sup>

We know that our nation's long-term fiscal problems are structural and driven by the growth of mandatory spending, primarily Medicare and Medicaid. As a nation, we must find a way to get our health care costs under control – and not just the cost of insurance – in order to get off the path to national bankruptcy. However, the only thing that Medicare for All would get under control is the health care decisions of Americans, centralizing them with Washington bureaucrats in a one-size-fits-all system – and a one-size-fits-all health care system ultimately fits no one.

<sup>&</sup>lt;sup>1</sup> CBO June 2018 Long-Term Budget Outlook

<sup>&</sup>lt;sup>2</sup> https://www.mercatus.org/bridge/commentary/medicare-all-plan-would-cost-federal-government-32-trillion

<sup>&</sup>lt;sup>3</sup> https://www.cato.org/publications/speeches/liberty-manifesto