

United States Senate

April 10, 2019

Dr. Keith Hall
Director
Congressional Budget Office
Ford House Office Building, 4th Floor
Second and D Streets, SW
Washington, DC 20515-6925

Dear Director Hall,

The purpose of this letter is to request again that the Congressional Budget Office (CBO) produce a full cost estimate of legislation establishing a Medicare-for-all health program.

This week, Senator Bernie Sanders (I-VT) introduced his Medicare-for-all legislation. In addition, Congresswoman Pramila Jayapal (D-WA) previously introduced H.R. 1384, the Medicare-for-all Act of 2019. This legislation has garnered 107 cosponsors in the House of Representatives. Clearly, this legislation is a top priority of Democrats in Congress.

To be clear, I do not support either of these proposals. Taking health coverage away from 180 million Americans who receive their coverage through work, stripping coverage away from seniors on Medicare Advantage, and eliminating the entire individual insurance market, will hurt patients across our nation. Simply put, giving Washington direct control of nearly 18 percent¹ of the economy is a recipe for disaster. The American people deserve a complete and thorough vetting of this proposal.

Previously, House Budget Committee Chairman John Yarmuth (D-KY) requested that your office complete a report on design and policy considerations lawmakers would face in developing a single-payer health system proposal.² While this report might be of some small value, limited policy options do not provide the cost analysis Congress needs to adequately analyze Medicare-for-all.

In addition, according to a recent media report, it appears House Speaker Pelosi (D-CA) seems to agree there needs to be more concrete information on the impact of Medicare-for-all. Given CBO's important role advising Congress, your agency is well-positioned to provide this information. According to the speaker, "When most people say they're for Medicare-for-all I think they mean health care for all. Let's see what that means."³ On this point, I agree with the

¹ Centers for Medicare and Medicaid Services. "National Health Accounts Historical." <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/nationalhealthaccountshistorical.html> (accessed April 9, 2019).

² Letter from The Honorable John A. Yarmuth, Chairman, House Budget Committee to Keith Hall, Director, Congressional Budget Office (January 8, 2019), *available at* https://budget.house.gov/sites/democrats.budget.house.gov/files/documents/1.8.19.Request%20for%20report%20on%20single-payer_0.pdf

³ Paul Kane and Rachel Babe, *'I'm agnostic': Pelosi questions whether Medicare-for-all can deliver benefits of Obamacare*, *Washington Post*. (April 4, 2019), *available at* <https://www.washingtonpost.com/politics/im-agnostic->

speaker. Congress must understand the full fiscal impact of this proposal, along with the consequences for hospitals, health care providers, and patients.

While I know the CBO has a finite amount of resources, many outside organizations have already produced estimates of Medicare-for-all legislation. For example, the Mercatus Center at George Mason University concluded this type of legislation would cost \$32.6 trillion over 10 years.⁴ The Urban Institute produced a similar finding in its 2016 analysis.⁵

The bottom line is \$32 trillion is a massive amount of spending. The United States government has reached the statutory prescribed debt limit of \$21.9 trillion and is now using extraordinary measures to continue to borrow under the limit. In addition, in CBO's Budget and Economic Outlook, the federal debt held by the public is projected to grow steadily, reaching 93 percent of GDP in 2029. This is the highest level since after World War II.⁶

Given the projected trillions of dollars in additional federal spending, it is imperative CBO fully quantify these projections.

In conclusion, I request that the Congressional Budget Office (CBO) produce a cost estimate of Medicare-for-all legislation introduced in both the House and the Senate. This should include the new federal debt burden placed on working Americans.

Thank you for your prompt attention to this important matter. If you have any questions regarding this request, please contact Jay Eberle on my staff.

Sincerely,



John Barrasso
Chairman, Senate Republican Conference

[pelosi-questions-whether-medicare-for-all-can-deliver-benefits-of-obamacare/2019/04/04/fe2942c0-56ed-11e9-aa83-504f086bf5d6_story.html?utm_term=.6e794bca4a49](https://www.pelosi-questions-whether-medicare-for-all-can-deliver-benefits-of-obamacare/2019/04/04/fe2942c0-56ed-11e9-aa83-504f086bf5d6_story.html?utm_term=.6e794bca4a49).

⁴Blahous, Charles. The Costs of a National Single-Payer Healthcare System. Arlington, VA: Mercatus Center at George Mason University, 2018. https://www.mercatus.org/system/files/blahous-costs-medicare-mercatus-working-paper-v1_1.pdf

⁵Holahan, John, Lisa Clemans-Cope, Matthew Buettgens, Melissa Favreault, Linda J. Blumberg, and Siyabonga Ndwandwe. The Sanders Single-Payer Health Care Plan: The Effect on National Health Expenditures and Federal and Private Spending. Washington, D.C.: Urban Institute, 2016. <https://www.urban.org/sites/default/files/alfresco/publication-pdfs/2000785-The-Sanders-Single-Payer-Health-Care-Plan.pdf>

⁶The Budget and Economic Outlook: 2019 to 2029. Washington, D.C.: Congressional Budget Office, 2019. <https://www.cbo.gov/system/files?file=2019-01/54918-Outlook.pdf>