

**“AN ACT ESTABLISHING
MEDICARE FOR ALL
IN MASSACHUSETTS”**



**Western Mass.
Medicare for All**

A Brief Primer

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THE BILL IN A NUTSHELL

“It is hereby declared to be the policy of the commonwealth to provide equitable access to quality, affordable health care services for all its residents as a right, responsive to the needs of the commonwealth and its residents, without co-insurance, copayments or deductibles, and be accountable to its citizens through the [Massachusetts Health Care] Trust.”

WHAT WILL THE HEALTH CARE TRUST DO?

The Trust will guarantee **high quality health care** to all residents by:

- 1. Paying for all medically appropriate health care services** performed by eligible practitioners or facilities chosen by the resident; and
- 2. Funding capital investments** to make sure **all parts of the state** have adequate health care facilities and resources.

ANNUAL BUDGETS

The **Operating Budget** of the Trust will pay for:

- **Services rendered** by physicians and other clinicians
- **Global budgets** for institutional practitioners
- **Capitation payments** for capitated groups, and
- **Administration** of the Trust

ANNUAL BUDGETS (cont.)

The **Capital Expenditures Budget** will pay for:

- **Constructing or renovating health facilities**
- **Major equipment purchases**



WHO WILL BE ON THE BOARD OF TRUSTEES?

The Board will be comprised of **29 members**, to include:

- **The Secretary of Health and Human Services**
- **The Secretary of Administration and Finance**
- **The Commissioner of Public Health**



WHO WILL BE ON THE BOARD OF TRUSTEES? (cont.)

Eight trustees appointed by the Governor:

- Three nominated by organizations of **health care professionals** who deliver direct patient care
- One nominated by a statewide organization of **health care facilities**
- One nominated by an organization representing **non-health care employers**
- One nominated by a **disability rights organization**
- One nominated by an **organization advocating for mental health care**
- One **health care economist**

WHO WILL BE ON THE BOARD OF TRUSTEES? (cont.)

Ten trustees appointed by the Attorney General:

- Two nominated by statewide **labor organizations**
- Two nominated by statewide organizations that have **advocated for single-payer**
- One nominated by an organization **representing senior citizens**
- One nominated by a statewide organization defending the **rights of children**
- One nominated by an organization providing **legal services to low-income residents**

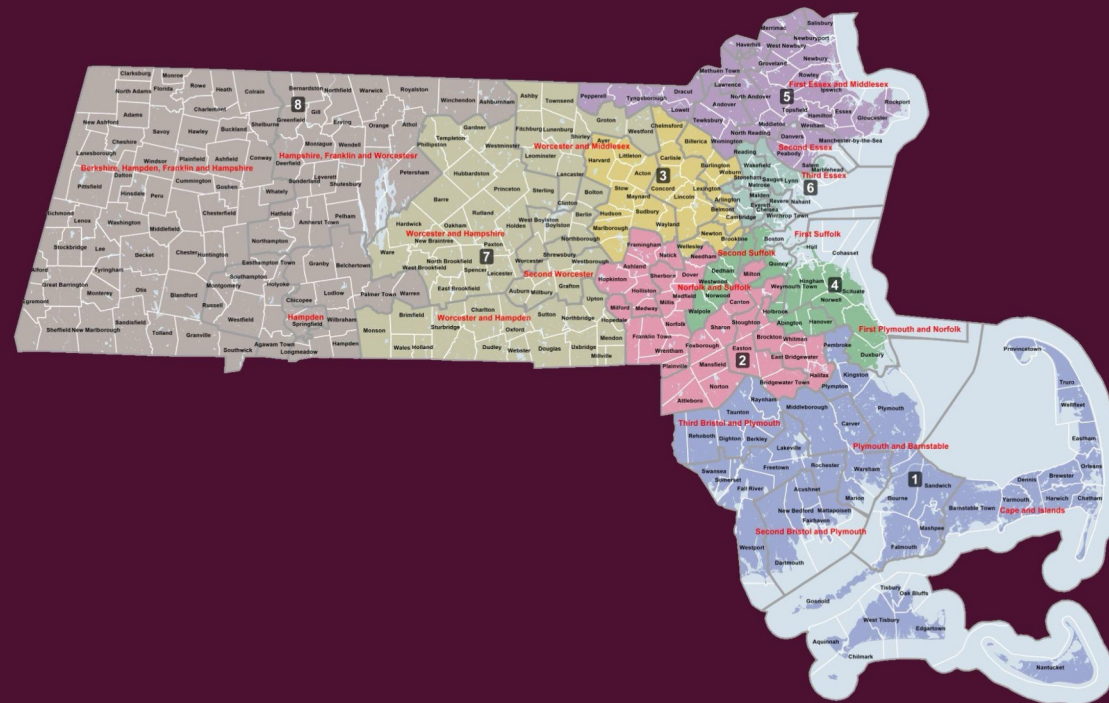
WHO WILL BE ON THE BOARD OF TRUSTEES? (cont.)

- An **epidemiologist**
- An **expert in racial disparities in health care**
- An **expert in women's health care**

(In making appointments, the Governor and Attorney General will encourage representation from different **racial, ethnic, and gender populations.**)

WHO WILL BE ON THE BOARD OF TRUSTEES? (cont.)

And **eight trustees** elected by Massachusetts citizens, each from a different Governor's Council district.



RESPONSIBILITIES OF THE BOARD OF TRUSTEES

- Ensure **universal access** to high-quality health care for all residents
- Establish **public health priorities**
- **Evaluate performance** of the health care system
- **Evaluate proposals for innovations** in health promotion, disease and injury prevention, health education, and health care delivery
- **Establish criteria** for evaluating requests by health facilities for **capital improvements**
- Hire an **Executive Director** for the Trust

DUTIES OF THE EXECUTIVE DIRECTOR

- Establish the **enrollment system**
- Seek all necessary waivers, exemptions, agreements, or legislation, if needed, so that all **current federal payments for health care will be paid directly to the Trust**
- Negotiate **price discounts** for prescription drugs and medical equipment
- Negotiate or establish **rates of reimbursement** for medical services
- Develop the **payment system** for paying practitioners
- Oversee the **budget**
- Prepare an **annual report**
- Appoint **directors for five operational Divisions . . .**

THE REGIONAL DIVISION

Will oversee offices located throughout the state to:

- Implement a **statewide education program** to keep the public informed about all aspects of the Health Care Trust
- Hold **annual public hearings**

THE PLANNING DIVISION

Will coordinate **health care resources** and **capital expenditures** to make sure all eligible participants have reasonable access to covered services.

THE INFORMATION TECHNOLOGY DIVISION

Will develop an IT system that **coordinates all medical and dental facilities**, maintains **confidential medical records**, and develops a **patient tracking** system to monitor quality of care and promote preventive care guidelines.

THE ADMINISTRATIVE DIVISION

- Will make **payments** for covered services and **seek reimbursement** for non-covered services
- Will **invest** trust fund assets
- Will develop **budgets** for the Trust

THE QUALITY ASSURANCE DIVISION

Will support the establishment of best **quality of care standards**, including:

- Appropriate staffing levels
- Evidence-based clinical practices
- Elimination of medical errors
- Timely access to medical and dental care
- Integrated patient-centered care
- Compassionate end-of-life care

ELIGIBLE PARTICIPANTS: RESIDENTS

All Massachusetts residents, including homeless individuals, individuals incarcerated in Massachusetts, and undocumented individuals, will be eligible to participate in the health care Trust.

A “resident” must live in Massachusetts and demonstrate intent to continue living in Massachusetts if temporarily absent.

ELIGIBLE PARTICIPANTS: NON-RESIDENTS

- **Non-residents who work 20 hours or more per week in Massachusetts, who pay applicable state taxes, who pay additional premiums established by the Trust to cover non-residents**
- **Non-residents requiring emergency treatment (the Trust will recoup whatever expenses it can)**

ELIGIBLE PARTICIPANTS: Travel and visitors

- Emergency care for Massachusetts residents provided out of state will be reimbursed at prevailing rates.
- Non-emergency care for Massachusetts residents obtained out-of-state will be reimbursed according to rates set by the Executive Director.
- Visitors to Massachusetts will be billed for services received under the system.

ELIGIBLE PRACTITIONERS AND FACILITIES

Eligible practitioners and facilities will include those providing any covered benefit to an eligible patient, so long as the practitioner or facility:

- Is **licensed** to operate in Massachusetts
- Does **not** accept payment from other sources for services provided for by the Trust
- Provides a **signed agreement to not discriminate**, to keep patient information **confidential**, to **not** practice “balance billing”, and to provide the Trust with **all reasonable information** needed to make payment decisions
- Meets state and federal guidelines on **safe staffing, quality of care**, and **efficient use of funds** for direct patient care, and
- Meets whatever **additional requirements** are established by the Trust.

COVERED BENEFITS

The Trust will pay for **all professional services** provided by eligible practitioners and facilities to eligible participants needed to:

- Provide high quality, medically necessary health care
- Increase use of preventive and primary care, and
- Integrate physical, mental and behavioral health, and substance abuse services.

Covered benefits will include, but not be limited to:

- Labs, diagnostic testing, inpatient, ambulatory and emergency care, blood and blood products, dialysis, mental health services, palliative care, dental care, acupuncture, physical therapy, chiropractic and podiatric services
- Treatment for infection by the virus that causes COVID-19 and any long-term effects (e.g. post-COVID conditions and Long COVID)
- Screening, counseling, and health education
- Rehab services, including physical, psychological, and other specialized therapies

- Mental health services, including supportives residences
- Behavioral health services, including supportive residences, occupational therapy, and ongoing outpatient services
- Substance misuse services, including supportive residences and ongoing outpatient services
- Prenatal, perinatal and maternity care, family planning, fertility, and reproductive health care, including abortion
- Long-term services and supports including home health care and personal support care
- Long term care in institutional and community-based settings

- Hospice care
- Language interpretation
- Emergency and other medically necessary transportation
- Dental services (excluding cosmetic dentistry)
- Vision care, including glasses (excluding laser vision correction for cosmetic purposes)
- Hearing evaluation and treatment, including hearing aids
- Prescription drugs, and
- Durable and non-durable medical equipment
- All new emerging technologies, such as telehealth and telemedicine technologies.

A NOTE ON INSURANCE COMPANIES

Insurance companies will be **prohibited** from charging premiums to eligible participants for coverage of services covered by the Trust.

WRAPAROUND COVERAGE

The Trust will ensure that those eligible for federal programs such as Medicaid and Medicare will receive the same coverage as other Massachusetts residents under Single Payer by covering any gaps in coverage or cost-sharing until negotiations with the federal government are complete.

PROPOSED FUNDING

To replace premiums & out-of-pocket payments

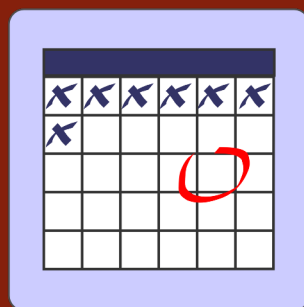
- **Employer payroll tax of 7.5% on W2 wages**, exempting the first \$20,000 of payroll per establishment. An **additional .5% payroll tax on W2 wages** on establishments with 100 or more employees
- **Employee payroll tax of 2.5% on W2 wages**, exempting the first \$20,000 of wages
- **10% payroll tax on W2 wages of the self-employed**, exempting the first \$20,000 of payroll
- **10% tax on unearned income** above \$20,000 (Social Security, SSI, SSDI, unemployment benefits, workers compensation, sick pay, paid family and medical leave, defined pension contributions and payments, and certain capital gains will not be taxed)

SOME SPECIFIC ALLOCATIONS OF THE TRUST

- 5% or less of the Trust income annually: **pay for preventive care, education, outreach, and public health risk reduction**
- 2% or less: **supplement training of the health care workforce**
- 2% or less: **supplement other sources for training and retraining workers displaced** as a result of the new system
- 1% or less: **supplement other sources for medical research and innovation**
- **1% or less:** fund a **reserve account** in anticipation of demographic changes, inflation, epidemics, and extraordinary events that could impact health care costs
- Pay the administrative costs of the Trust which, within two years of full implementation, will not exceed 5% annually

IMPLEMENTATION OF THE TRUST

No later than 60 days after this legislation is enacted, the Governor and Attorney General will make initial appointments and coordinate with the Secretary of State to set the date for elections of the eight elected Trustees. The first Board meeting will take place within 30 days of the election of Trustees.



In the **FIRST PHASE OF TRANSITION**, the Board will hire an Executive Director, review enabling legislation, establish a first-year budget, begin the process of federal waivers and agreements for Medicare, Medicaid, and other public programs, and set a timeframe to launch the Trust between one year and 18 months after the first meeting of the Board.

The Executive Director will begin hiring staff, establishing infrastructure, and negotiating reimbursement lists.

Practitioners will develop plans for transitioning to the Trust.

In the **SECOND PHASE OF TRANSITION**, infrastructure for the Trust will be established including Regional Offices to provide public education, training health care practitioners and staff on processing bills, and introducing accounting regulations to employers for payment of payroll taxes.

Private insurers will complete the transfer of cash reserves to the Trust.

Residents of the Commonwealth will receive health care identification cards, with an explanation of benefits and contact information for their Regional Office.

Let's get this guy to the finish line!

