



## Time to End Taxpayer Rebates to the Private Healthcare Insurance Industry

### TALKING POINTS

11/1/2021

#### **WE ARE AN AGING COUNTRY:**

Over-age 65 population growing from 60 million today to **75 million by 2030**, then to **100 million by 2060**.

Over-age 65 growth grows to 100 million, 25% of the population **by 2060 – 1 in 4 people will be over-age 65**.

**By 2028 all Baby Boomers will be over age 65 and by 2060 only 3 million remain.**

#### **MEDICARE COSTS PER ENROLLEE 2019-2030 and BEYOND ARE OUT OF CONTROL:**

Healthcare costs are a “**Hungry Tapeworm**”, eating away at our economy!

Medicare Costs of \$796 Billion in 2019 growing to \$1.7trillion by 2030 **UP 101%**

Medicare enrollees grow from 60 million to 75 million by 2030 **UP 25%**

Medicare costs are growing four (4) times faster than Medicare enrollees **4:1**

#### **SUBSIDIZED PRIVATE PLANS HAVE INCREASED MEDICARE COSTS PER ENROLLEE:**

CMS paid MA insurers \$450 billion in bonuses and rebates over 24 years - **\$41.8 billion in 2021**.

MA rebates pay for copays, coinsurance, hearing, eyecare, dental – enabling a **43% MA Market Share**.

Private MA Plans Have Never Been Competitive – 2021 MA payments were **104% of FFS cost per enrollee**.

MedPAC’s 2021 Annual Report States: “**Aggregate Medicare payments to Medicare Advantage plans have never been lower than FFS Medicare spending.**”

#### **THE MEDICARE ADVANTAGE QBP PLAN IS A REBATE SCHEME and A TAXPAYER SCAM**

**Rebates up 2020-2021 – from \$35.1 billion to \$41.8 billion vs \$26.9 projected for 2021.**

**The MA Plan Quality Bonus Plan (QBP) is a subsidy scam** – Unprofessional, Unethical & misuses 1-5 stars.

Real Businesses don’t pay bonuses or rebates for expected quality – **QBP pays a 50% rebate for 1-star ratings**.

MedPAC’s 2021 Annual Report States: “**The current state of quality reporting is such that the Commissions annual updates can no longer provide an accurate description of the quality of care in MA.**” Also see **2018, 2019, 2020 and 2021 Annual Reports to Congress**.

#### **REBATES CREATE UNFAIR COMPETITION and DISCRIMINATORY BENEFIT ELIGIBILITY**

MA rebates were **\$140 monthly, \$1,680 per enrollee** (\$41.8 billion) in 2021 – the **24.9 million in MA benefited**.

**40 million** original Medicare enrollees are **not eligible** – yet their income tax paid help pay for these benefits!

#### **THE NRLN PROPOSES:**

Obtain Majority Political Support to Save Medicare – a Symbol of American Democracy

Grandfather Benefits for All Current MA Plan Holders

Eliminate Bonuses and Rebates

Use Quality Control and Innovation to Reduce Costs and Award Contracts Using Competitive Bids

Removing Original Medicare Competitive Barriers – Creates a Level Playing Field for Competitors