Weekly Checkup

What's in Kamala Harris' Medicare for All Plan?

JOHN WALKER, PARTH DAHIMA | AUGUST 16, 2024

Earlier this week, American Action Forum Health Care Expert Stephen Parente and Theo Merkel, published research breaking down the associated costs and effects of enacting presidential candidate Kamala Harris' 2019 Medicare for All plan (M4A). At the center of this analysis, Parente and Merkel estimate that Harris' plan would cost $43.9 trillion over the next decade. If this price tag wasn't alarming enough, the authors also warn that this figure was likely an underestimate of the plan's actual cost, given Harris' M4A plan is also designed to cover all undocumented and illegal aliens residing in the United States. **Let's dig into Parente and Merkel's analysis to better understand Harris' plan and its associated costs.**

Harris M4A plan is a national single-payer health care system designed to fully cover the entire U.S. population. This means the federal government would cover all premiums, deductibles, copays, and health care-associated out-of-pocket costs. **To pave the way for this new single-payer system, Harris' M4A plan would eliminate all other federal health programs and private marketplaces**.

As Parente and Merkel discuss at length, Harris' plan is incredibly expensive at a cost of nearly $44 trillion. **Even accounting for the savings assumed from eliminating all federal jobs required to operate current federal health insurance programs, on top of new revenue gained by implementing a 4-percent income-tax increase, as well as additional estate taxes, capital gains taxes, and dividends taxes, Harris' M4A plan still sits several trillion dollars in the red.** As the authors explain:

Though this is a rough picture of what 2028 might look like with the Plan's projected revenues, the number indicated for the net budgetary impact is a substantial amount to overcome. Over eight years of full operation between 2028 and 2035, the total net cost is $24.1 trillion. Outside of the health care budget, the impact of seeking to break even

through increased taxes would be challenging on the economy at large.

As the authors also explain, Harris' M4A plan would dramatically reduce medical productivity: "Under the Plan, medical productivity is projected to decrease by 22 percent for the year 2035 relative to the current baseline due to the massive increase of patients into the health system and the dissolution of network structure."

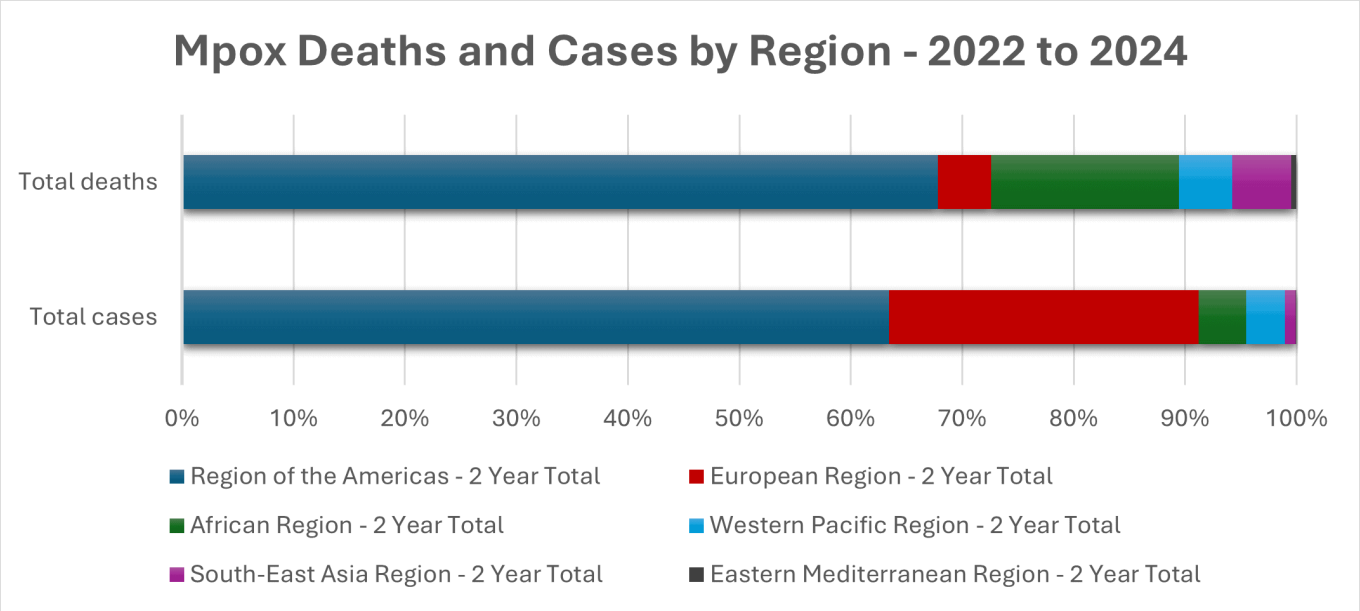
Notably, Harris' plan goes beyond other M4A counterpart plans in that it extends all its provisions to illegal or undocumented aliens residing in the United States, substantially increasing its cost. Parente and Merkel – in what they describe as "likely an underestimate" of the influx of illegal and undocumented immigrants into the United States – estimate that the total cost to cover these illegal aliens would be "$1.8 trillion between 2026 and 2035 assuming no additional illegal alien encounters from 2026 on."

Recently, a Harris campaign official said that a President Harris would not push her M4A plan in the near term, but as with many election-era claims, this could change should the political winds blow. **And as Parente and Merkel explain, if implemented, Harris' plan would nationalize an entire industry, add trillions of dollars to the United States' already unsustainable federal health spending, and reduce medical productivity.**

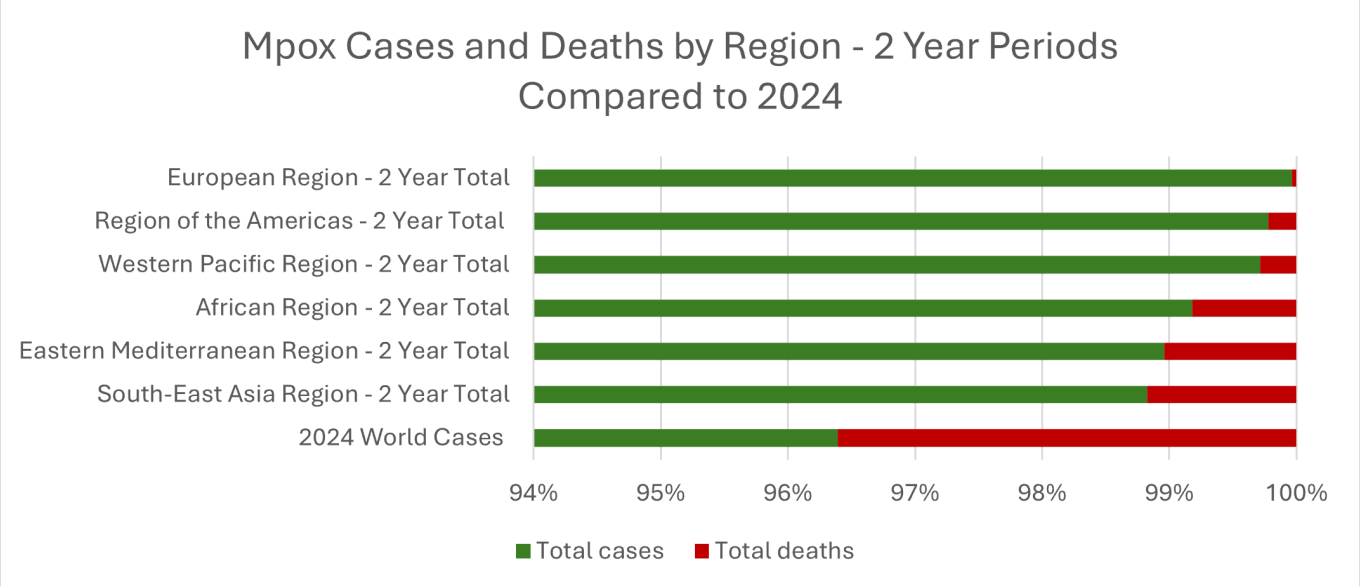
WHO DECLARES PUBLIC HEALTH EMERGENCY AMID INCREASE IN MPOX CASES

Parth Dahima

World Health Organization (WHO) Director-General Tedros Adhanom Ghebreyesus recently called for swift international cooperation following a surge in mpox cases in 2024. The African continent, which once accounted for a comparatively smaller proportion of world cases, has seen a spread of the virus, prompting officials to declare a Public Health Emergency of International Concern. Of note, there has been an increase in reported cases and a sharp rise in deaths in 2024, to-date numbering 14,000 and 522, respectively, compared to fewer than 5,000 total cases reported in 2023. The chart below shows the explosion in mpox deaths in 2024 compared to the two-year total. For example, the "European Region – 2 Year Total" bar of the chart shows that very few of those infected with mpox died because of their illness, demonstrated by the tiny sliver of red. The "2024 World Cases" bar, by contrast, shows a significant bump in mortality, somewhere in the range of 3.5 percent, as demonstrated by the larger red bar.



The next chart shows the regional breakdown of mpox deaths and cases between the year 2022 and June 2024. The data, derived from the WHO global mpox tracker, demonstrate the concentration of mpox in Africa as well as the Americas. Nearly 20 percent of global deaths have occurred in Africa, despite accounting for a smaller percentage of the world population. The Americas maintain the largest number of recorded total cases and deaths, with Europe following second in total cases.



Sources:

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