

Press Release



New Score of Medicare Buy-In Proposal from AAF's Center for Health and Economy

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The Center for Health and Economy (H&E), a research initiative of the American Action Forum, has produced an estimate of the cost and effects of a recent Medicare buy-in and individual market reform proposal, H.R. 1364, “The Medicare Buy-in and Health Care Stabilization Act of 2019.” Using its Under-65 Microsimulation Model, H&E analyzed the bill’s impact on health insurance coverage, provider access, medical productivity, and the federal budget.

H&E’s key findings:

- **Premium Impact:** Largely because of the bill’s creation of a reinsurance fund and reintroduction of cost-sharing reduction payments to insurers, premiums paid would fall by 4 to 12 percent in all metal levels, with the exception of single-coverage Gold plans – the category that includes the Medicare buy-in plans;
- **Coverage Impact:** The size of the insured population would rise marginally within the individual marketplace, with these increases declining over time relative to the baseline;
- **Medicare Buy-In Enrollment:** Nearly 300,000 people would be expected to buy into Medicare in its first year, although this number is expected to decrease to less than 200,000 by the year 2029; and
- **Budget Impact:** Federal spending would increase by \$184 billion between 2020 and 2029, and the bill does not include any offsetting increases in revenue.

[Read the Analysis](#)

[Read H&E’s 2019 Baseline](#)

The Center for Health and Economy, a research initiative of the American Action Forum, is focused on providing accessible analysis on the outlook for the United States health care system. With the guidance of nationally recognized economic, budget, and public policy experts, H&E uses microsimulation models and health economics literature to evaluate the effects of current and proposed health policy legislation and administrative changes.