

*United States Senate*

*MetMUNC XLVIII*

*Topic: Healthcare*

*Chairs: John DiPierri & Jarret Kim*



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Healthcare is defined as the organized provision of medical care to individuals or a community. American healthcare coverage falls under two categories: private and public insurance. Private healthcare falls under the jurisdiction of hospitals, doctors, and insurers that are run independently from the federal government. Consumers typically purchase insurance plans out of their own pockets, or through their employers. Public healthcare is run under two government-established plans: Medicare and Medicaid. Medicare is devised to cover people over the age of 65 or those who have a disability, while Medicaid is geared to Americans with lower incomes.<sup>1</sup> While these plans, especially public insurance, have made great strides to ensure that millions of Americans have coverage for their medical needs, three major issues have plagued these systems' effectiveness: lackluster coverage under said plans, disagreements between federal and state politicians on the scope and nature of plans, and the underperformance of primary care.

According to a study conducted by the United States Census Bureau, an organization responsible for producing data about the American people and economy, in 2017, the number of uninsured American citizens increased to 28 million people, nearly a tenth of the population. 85% of those uninsured fell into the category of 19 to 64-year-old men of working age.<sup>2</sup> The study further suggests that those uninsured were more likely to live in a poverty-stricken neighborhood, as a study by the Kaiser Family Foundation found that 45%

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<sup>1</sup> <https://www.medicareinteractive.org>

<sup>2</sup> <https://www.census.gov/library/stories/2018/09/who-are-the-uninsured.html>

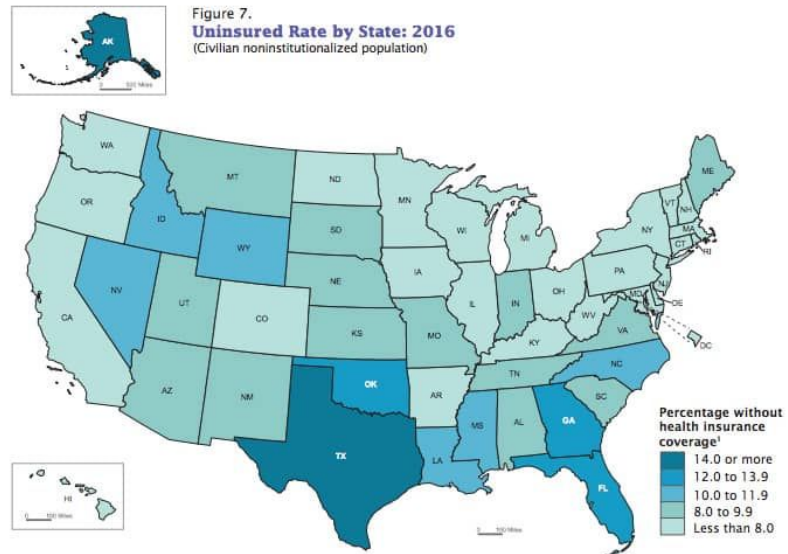
of uninsured adults say that they wouldn't obtain medical coverage because of high prices.<sup>3</sup>

Yet, when one does not have health insurance, they have to pay for the procedures themselves, which often costs a lot more money. As a result, the uninsured are not able to

obtain preventive care and services for major health conditions and chronic diseases. This is because the uninsured often face unaffordable medical bills that they have to pay for out of pocket. Furthermore, the prices of health insurance

continue to rise while

covering less and less. According to an article by Phillip Moeller, the author of *Get What's Yours for Medicare*, "U.S. households spent approximately \$980 billion on healthcare, which works out to about \$3,200 per person in 2017."<sup>4</sup> He later cited a report by the Center for Medicare and Medicaid Services that found that this only made up a third of the \$2.9 trillion spent on personal healthcare costs in that same year.<sup>5</sup> With approximately \$2 trillion dollars remaining, this leaves individuals footing the bill. As a result, more Americans are becoming underinsured, even as expansions of government programs have increased the number of people insured. In a report from the Commonwealth Fund, a private foundation who strives to



**Figure 1:** This map indicates the percentage of people in certain states who lack health insurance. According to the map and other data from the Census Bureau, the majority of the uninsured are disproportionately located in the South.

<sup>3</sup> <https://www.kff.org/uninsured/fact-sheet/key-facts-about-the-uninsured-population/>

<sup>4</sup> <https://www.pbs.org/newshour/economy/making-sense/how-americans-spend-much-more-on-health-care-than-they-realize>

<sup>5</sup> <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/nhe-fact-sheet.html>

provide improved healthcare for all Americans, the number of people from 2003 to 2018 that are underinsured (those who lack overarching health coverage and own plans that cover minimal medical care) has increased from 9% to 23%, in the same time frame that the costs of healthcare have increased.<sup>6</sup>

The history of state-sponsored healthcare has been littered with controversy between lawmakers on how to properly enact such a plan. In 2003, then-President George W. Bush supported the Medicare Modernization Act, which sought to expand the number of people that can be allowed on Medicare and lower the cost of prescription drugs. According to an opinion article by Anders Åslund, a Swedish economist, this plan did the opposite, and “raised the prices of prescription drugs for no good reason.”<sup>7</sup> In 2010, President Barack Obama enacted a comprehensive healthcare reform law otherwise known as the Affordable Care Act, or Obamacare. The Affordable Care Act would ensure that American citizens have access to affordable health insurance, how it does this is by offering tax credits on government health insurance plans. The Affordable Care Act also expanded government-funded healthcare programs like Medicaid to include more people who don’t have a large income to afford privatized healthcare. According to Margot Sanger-Katz, a domestic correspondent for the New York Times, the Affordable Care Act was successful in helping 20 million more Americans gain healthcare.

But ultimately, Obamacare did not achieve uniform affordability of healthcare for its citizens. Famously, President Obama promised that one could keep their doctor and their preferred medical plan. Yet, health insurance companies, since the introduction of Obamacare, have removed 1 million people from their preferred health insurance plan.

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<sup>6</sup><https://www.commonwealthfund.org/publications/issue-briefs/2019/feb/health-insurance-coverage-eight-years-after-aca>

<sup>7</sup><https://thehill.com/opinion/healthcare/423865-us-health-care-is-an-ongoing-miserable-failure>

Furthermore, in 2014, a mandate was put into effect that forced those who did not have health insurance to pay a tax penalty, with some exceptions for religious or ethnic groups, like Christian scientists, Native American tribes, or undocumented immigrants. This penalty was repealed in 2017 by the U.S. Congress. Finally, Obamacare and the expansion of Medicaid improved healthcare costs and coverage, but only for those dangerously close to the poverty line. Those on fixed

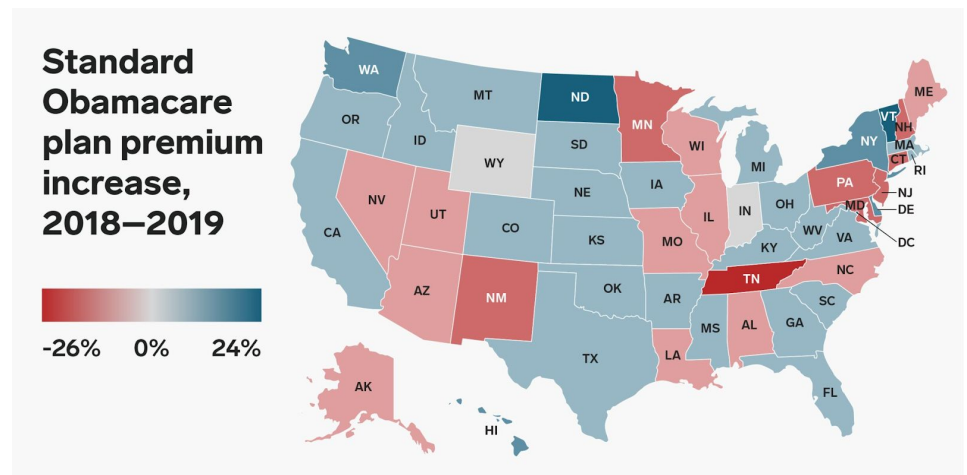
incomes are left to struggle to pay extremely expensive healthcare premiums, and they often face deductibles that are surpassing those seen in

a typical employer health plan. Such premiums made it

harder for insurance companies under Obamacare to cover certain areas, leaving cities, counties and states with only one insurance provider. In 2017, five states (Alabama, Alaska, Oklahoma, South Carolina, and Wyoming) had only one insurance provider under

Obamacare.<sup>8</sup> While the policy has accomplished many goals, like increasing the number of American families having healthcare coverage, reducing inequality between different kinds of income in terms of insurance, and making healthcare more comprehensive, issues still linger that prevent Obamacare from becoming a proper healthcare system for all Americans.

Most recently, the Trump administration has attempted to dismantle Obamacare in favor of a more conservative healthcare plan, known as the American Health Care Act of



**Figure 2:** According to Business Insider, this map shows the average increase in Obamacare premiums from 2018 to 2019. Red indicates a decrease in cost, while blue indicates an increase in cost.

<sup>8</sup><https://www.kff.org/health-reform/issue-brief/2017-premium-changes-and-insurer-participation-in-the-affordable-care-acts-health-insurance-marketplaces/>

2017, or AHCA. The AHCA was designed to radically change Medicaid by adding a sunset clause to Medicaid expansion enrollees, incentivizing the end of new applications under said expansion, providing \$100 billion for states to deal with more expensive patients, and repealing fees and tax penalties incurred by not having health insurance.<sup>9</sup> Yet, a Congressional Budget Office report found that by 2026, the AHCA would reduce the number of covered individuals by 14 million,<sup>10</sup> as well as most likely raise fees on elderly patients while slashing overall costs by 25%. This bill passed the U.S. House but failed to pass the Senate.

Many Democratic presidential candidates have favored increased changes to American healthcare. Most notably Senators Elizabeth Warren, Bernie Sanders, Kamala Harris, and Cory Booker all support Medicare for all, which will allow anyone, regardless of income level, to buy into Medicare. Other presidential candidates, like Joe Biden and Amy Klobuchar, support other options, like an expansion of Obamacare, a Medicare for America plan, or a Medicaid-based public health care option, respectively.<sup>11</sup>

The final issue with American healthcare is a lack of proper primary care. According to David Blumenthal, president of the Commonwealth Fund, “many primary-care physicians struggle to receive relevant clinical information from specialists and hospitals, complicating efforts to provide seamless, coordinated care.<sup>12</sup> A study from the Fund also found that the American healthcare system, while being the most expensive of the developed countries surveyed, routinely scored last in efficiency, equity, healthy lives, and overall ranking. The

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<sup>9</sup><https://www.theatlantic.com/politics/archive/2017/05/what-we-know-about-the-american-health-care-act/525426/>

<sup>10</sup><https://www.cbo.gov/system/files/115th-congress-2017-2018/costestimate/americanhealthcareact.pdf>

<sup>11</sup> <https://www.washingtonpost.com/graphics/politics/policy-2020/medicare-for-all/>

<sup>12</sup><https://www.theatlantic.com/health/archive/2018/06/the-3-reasons-the-us-healthcare-system-is-the-worst/563519/>



Furthermore, a 2011 research study by the *American Journal of Epidemiology* found that Americans have much higher rates of diseases than their counterparts in England.<sup>15</sup> Overall, identifying the issues that lead to chronic diseases is imperative to unclogging the American healthcare industry, as fewer patients and fewer individuals with preexisting conditions stand to benefit all Americans, physically and fiscally.

In conclusion, the three major issues of American healthcare: underinsurance, the disagreements between politicians, and underperforming primary care and social services have crippled the American healthcare system, harming the consumers of all fifty states. **It is necessary that the United States addresses the issues of the American healthcare system, especially the lack of coverage for those under public healthcare. It is up to the delegates to decide how to improve the American healthcare system, both public and private, by reforming the three issues outlined in this guide.**

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<sup>15</sup> <https://www.sciencedaily.com/releases/2011/03/110309073721.htm>

### Questions to Consider:

1. How do you (your Senator) believe we should improve the American healthcare system?
2. What bills or laws have you voted for/against as it relates to healthcare?
3. Do you favor a public, private, or joint healthcare plan for America?
4. How many people in your state rely on private or public health insurance?
5. How have laws passed by the federal government or your state, in terms of healthcare, affected the lives and well-being of your constituents?

### Helpful Links:

- <https://www.thebalance.com/universal-health-care-4156211>
- <https://www.hhs.gov/healthcare/about-the-aca/index.html>
- <https://www.freedomhealthinsurance.co.uk/about-private-healthcare>
- <https://www.theatlantic.com/health/archive/2014/06/us-healthcare-most-expensive-and-worst-performing/372828/>
- <https://www.washingtonpost.com/graphics/politics/policy-2020/medicare-for-all/>
- <https://www.commonwealthfund.org/publications/issue-briefs/2019/feb/health-insurance-coverage-eight-years-after-aca>
- <https://www.kff.org/uninsured/fact-sheet/key-facts-about-the-uninsured-population/>
- <https://www.census.gov/library/stories/2018/09/who-are-the-uninsured.html>
- <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/nhe-fact-sheet.html>