

Resolution to End Privatization of Medicare

Whereas, Medicare has been the U.S. national health care system for seniors and the disabled in the United States since 1965 and has held sacred the relationship between beneficiaries and their chosen health care provider; and

Whereas, the Trump administration opened the door to privatization of traditional Medicare through Direct Contracting programs, and the Biden administration has tweaked and rebranded this privatization scheme as ACO Reach; and

Whereas, ACO Reach would enable private investors, including hospitals, private equity firms, insurance companies, and corporate health care businesses to insert themselves between Medicare beneficiaries and health care providers to manage traditional Medicare services starting in January 2023; and

Whereas, ACO Reach would incentivize profit-taking practices, including weakening, delaying, or even delaying delivery of Medicare services; and

Whereas, ACO Reach entities would be paid a fee to manage health care services for each Medicare beneficiary based on the health condition of the beneficiary, and would allow for-profit entities to draw down the taxpayer-funded Medicare Trust Fund for their private profit; and

Whereas, the prospect of private equity interests controlling even a portion of the projected \$1.6 trillion of annual Medicare spending by 2028 has encouraged a rush to buy up Accountable Care Organizations for managing Medicare services; and

Whereas, the ACO Reach pilot, which claims to hope to address real inequities endured by underserved communities of black, indigenous and people of color due to historic under-resourcing, does not detail how it would do that; and

Whereas, real equity issues can be addressed within the traditional Medicare system; now

Therefore, be it resolved the 32nd Legislative District Democrats are opposed to privatization of the Medicare system and supports terminating the ACO REACH pilot program and closing the door to prohibit Wall Street and third-party entities in the Medicare system; and

Be it further resolved, the 32nd Legislative District Democrats will send a copy of this Resolution to Washington state's U.S. Senators and Congressional House members, as well as President Joe Biden and Secretary of Health and Human Services Xavier Becerra.

Previously Passed by the 32nd LD Democrats