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It Is Time for Radical Healthcare Reform In The U.S.

By Mario J. Paredes

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Critical data tell a very troubling story. Each year, the US spends approximately \$12,910 per capita on healthcare expenses. That is more than the per capita spending in every other advanced economy. Americans also have lower life expectancy and higher mortality from treatable chronic diseases. Yet, 7 percent of all Americans, or 25.3 million people of all ages, do not have health insurance. By contrast, other developed nations cover almost 100 percent of their population with much lower spending.

Even people with health insurance have a challenging time getting the coverage they need, including many workers who are covered by an employer-provided health plan. Out-of-pocket costs are so high that 40 percent of workers on such a plan must tap their savings or even take on debt to pay for health care. Thirty-five percent of these covered employees report that they have deferred getting medical care because of the cost; 17 percent said they cut back on buying food and other basic needs to be able to pay for the health care they need; more than 25 percent of all adults also reported that they delayed getting health insurance or did not get it all because of the expense.

Moreover, there is a growing trend of businesses and insurance companies shifting the burden of rising costs to workers. Something is amiss, as 65 percent of workers with high-deductible plans said their personal health has negatively impacted their performance on the job. The American Hospital Association has found that 37 percent of US adults would not be able to afford \$400 for a medical emergency. The average annual deductible is about \$1400.

These data are presented by the American Council to Advance Medicare for All (ACAMFA). Alongside proposals by other initiatives, ACAMFA makes the case that a well-designed single-payer system can produce significant savings and give affordable access to health care to all Americans, regardless of their economic status. Everyone would be able to choose any doctor or hospital in any state. Some studies suggest that the US can save up to \$500B yearly by embracing a Medicare for All model.

Negotiations with pharmaceutical companies—as is customary practice in other countries but has not been really tried here—would produce another \$113B per year. Savings could help subsidize the training of much-needed primary care physicians, for example, and a host of other measures to improve the quality of care.

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The ACAMFA plan does not stipulate raising taxes, something that would generate a lot of opposition in Congress. The plan promoted by Senator Bernie Sanders does call for tax increases—including a wealth tax—as well as limiting tax deductions for the wealthy. The Sanders plan projects that most families would spend less on health care than they do today on premiums, deductibles, and copays. Families earning about \$60,000 a year would spend up to 14 percent less on their annual healthcare expenses. The plan would spell an end to medical debt and medical bankruptcies.

The ACAMFA says that today, only 30 percent of Americans with employer-provided private healthcare plans agree that their costs are reasonable. Almost 80 percent think healthcare plan costs will go up in the next two years. Medicare for All can radically change the picture, says the group. Costs will significantly decrease for employers, workers, government, and providers.

SOMOS Community Care—a network of over 2,500 doctors, most of them primary care providers—applauds the work of ACAMFA and other entities working hard to bring about real change in the US healthcare landscape. Reaching and delivering care to over 1 Million Medicaid lives citywide SOMOS, too, advocates for a genuine transformation of the healthcare system—a system it believes is unjust, especially for the poor. The system needs to fully incorporate policies that offer equity in health care for the most vulnerable patients. Clearly, a Medicare for All model holds the promise of such a change that would greatly benefit taxpayers.

SOMOS has come a long way in offering quality health care to the poor. As a network of independent providers, SOMOS faced an uphill battle as a newcomer in the New York State healthcare universe. We confronted opposition by hospital-based corporations long used to dominate the field. Interestingly, ACAMFA mentions rising costs causing a reduction in covered services, decreasing reimbursements, and increasing premiums and coinsurance. That trend is “driving an increasing number of hospital mergers and acquisitions—resulting in patients paying more and reducing their choices.”

SOMOS served its patient population by providing it with the COVID-19 vaccines and offering a service to families that had great difficulty making online appointments at hospitals. SOMOS doctors are present in the very neighborhoods where their patients live, giving them ready access to comprehensive medical and behavioral care.

Undoubtedly, SOMOS would function well in a Medicare for All system. It would continue to serve the poor with quality healthcare. Key to that quality is the Value-Based Care formula, which stipulates that doctors are paid more according to the longer-term well-being of their patients. VBC has been proven to produce significant savings, as healthier patients do not end up in ERs and costly hospital beds. SOMOS would certainly advocate for VBC to be part of the Medicare for All regime!



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