

STOP THE PRIVATIZATION OF MEDICARE/ABOLISH ACO REACH RESOLUTION

Submitted by the Humboldt & Del Norte Central Labor Council, AFL-CIO

WHEREAS for 57 years Medicare has been a vital part of the social safety net in this country providing government paid health care for millions of seniors and people with disabilities who might otherwise be reduced to poverty by medical bills, and

WHEREAS unlike private insurers, Medicare allows patients to see any doctor they choose, and is able to keep its administrative costs to a minimum at 2% by paying providers directly.

WHEREAS instead of filling the gaps in Medicare's coverage, the federal government has increasingly used Medicare funds to subsidize private insurance companies, significantly increasing its administrative costs, burdening doctors with extra paperwork, and providing new opportunities for fraudulent billing by private insurers, and

WHEREAS in 2020 private insurers like Humana and United Health Insurance charged Medicare over \$12 billion paying for diagnoses that were not actually treated, leading Senator Elizabeth Warren to charge that "Medicare is hemorrhaging money in scams and frauds," and

WHEREAS the ongoing privatization of Medicare has created a \$350 billion market that Wall Street and private equity firms are rushing to exploit, and which is undermining the Medicare Trust Fund's solvency and is putting crucial decisions about patient care in the hands of actuaries rather than doctors, and

WHEREAS during the final months of the Trump administration a program was launched enrolling Medicare recipients in private "direct contracting entities (DCEs) without their consent or knowledge, and

WHEREAS the DCE program was launched without Congressional approval, oversight or even discussion, and

WHEREAS thus far the Biden administration has responded to public protests of DCEs not by ending them but by making some cosmetic changes, including adding Wall Street investors into the privatization mix, and rebranding it ACO/REACH, and

WHEREAS it is within the power of the Biden administration to end these privatization programs with a stroke of a pen,

THEREFORE BE IT RESOLVED this 11th of October 2022 that the Humboldt & /Del Norte Central Labor Council calls upon the AFL-CIO to request of President Biden that he end the ACO/REACH and DCE programs immediately.

Respectfully submitted,



John Frahm

President