



STOP THE PRIVATIZATION OF MEDICARE - ABOLISH ACO/REACH

WHEREAS, for 57 years Medicaid has been a vital part of the social safety net of this country, providing government paid healthcare 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 want and can keep its administrative costs to a minimum by paying providers, directly, and

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, 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 has created a \$350 billion market that Wall Street and private equity firms are rushing to exploit, undermining Medicare's solvency, and 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 even 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 DCE by not ending it but by making essential cosmetic changes and re-branding it ACO/REACH, and

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

THEREFORE, BE IT RESOLVED that the Contra Costa Labor Council send this resolution to Xavier Becerra, Secretary of Health and Human Services, with copies to President Joseph R. Biden, Senators Dianne Feinstein and Alex Padilla, and our Congressional Representatives, Mark DeSaulnier, John Garamendi, and Josh Harder, alerting them to the danger to traditional Medicare and the need for termination of the ACO-REACH program, and send this Resolution to the California Federation of Labor and the national AFL-CIO and call upon them to demand that President Biden end the ACO/REACH program immediately.

Resolution adopted by the Contra Costa Central Labor Council, December 21, 2022