

**Question:** What is single-payer?

**Answer:** Single payer means universal coverage for all medically necessary care typically through public financing and paid by one entity- government- that is responsible for payment of claims for health services.

**Question:** What is the difference between "universal coverage" and a "single-payer system"?

**Answer:** "Universal coverage" refers to a health care system where every individual has health coverage. On the other hand, a "single-payer system" is one in which there is one entity—usually the government— responsible for paying health care claims.

**Question:** Is single payer “socialized medicine”

**Answer:** Socialized medicine refers to a health care system where the government is the provider of health care. On the other hand, a single payer system is one where the government is the insurer for all health care services.

**Question:** What other countries have single payer healthcare systems?

**Answer:** Very few countries have a true single payer system where the government pays all claims. Only Canada, Taiwan and South Korea have true single payer systems, whereas other countries such as Spain, Germany, Netherlands, and other European countries have a mixed system of public and private financing. The U.K. and Scandinavian countries employ what is called the “Beveridge Model” which means the government is both the payer and provider of health care.

**Question:** What does single payer insurance cover for services in countries with single payer?

**Answer:** Most single payer systems offer complete catastrophic and preventative care coverage, but may not include other benefits such as long term care, prescription drug coverage or home care services. In Canada the government does not cover prescription drugs, home care or long-term care, prescription glasses or dental care, and limited coverage is provided for mental health care.<sup>1</sup> In other systems, such as South Korea, long term is not covered and copayments cover roughly 30% of costs.<sup>2</sup>

**Question:** How are single payer programs financed?

**Answer:** All single payer programs are financed through tax receipts.

**Question:** If single payer is financed by taxes, how much will it cost me?

**Answer:** Although there is no direct study of the tax impact of single payer on Americans, the Fraser Institute in Canada performs an annual estimate of the cost of its single payer system. The cost of public financing ranges from \$4,222 for a single individual up to \$12,055 for a two parent household with one dependent. A family of four pays, on average, \$11,735 in taxes for health care in Canada.<sup>3</sup>

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<sup>1</sup> <https://www.canada.ca/en/health-canada/services/health-care-system/canada-health-care-system-medicare/canada-health-act-frequently-asked-questions.html#a3>

<sup>2</sup> [https://www.med.or.jp/english/journal/pdf/2009\\_03/206\\_209.pdf](https://www.med.or.jp/english/journal/pdf/2009_03/206_209.pdf)

<sup>3</sup> <https://www.fraserinstitute.org/sites/default/files/price-of-public-health-care-insurance-2015-rev.pdf>

**Question:** How does single payer impact access to healthcare?

**Answer:** While single payer guarantees that everyone can access care, it may not be timely. The Fraser Institute reports a median wait time in 2017 of 21.2 weeks—the longest ever recorded. By comparison, Canadians waited 9.3 weeks in 1993 when the Fraser Institute first reported wait times. At the various specialties, national wait times were longest for orthopedic surgery (41.7 weeks) and neurosurgery (32.9 weeks). Wait times have also contributed to higher hospital mortality rates, where Canada ranks dead last, due to delayed care.<sup>4</sup>

**Question:** What is the New York Health Act (NYHA)?

**Answer:** NYHA is legislation that would impose a single payer healthcare system in New York State.

**Question:** What is covered under NYHA?

**Answer:** NYHA would provide comprehensive inpatient, outpatient, drug, dental, vision insurance and it proposes to cover long term care within two years of passage.

**Question:** Who would be covered under NYHA?

**Answer:** Any person “residing in New York” is eligible for coverage under NYHA. NYHA is blind to tax filing and immigration status, meaning that a person simply has to declare an intention to stay in New York to be eligible.

**Question:** How many people currently have health insurance in New York?

**Answer:** Currently 96% of New Yorkers have health insurance. NYHA would result in approximately 800,000 newly insured individuals.

**Question:** What would it cost when I go to the doctor?

**Answer:** NYHA prohibits premiums, deductibles, copays, or coinsurance to any beneficiary; you pay for it through a mandatory payroll tax instead. For all intents and purposes,

**Question:** Can I use my own doctor?

**Answer:** NYHA prohibits network restrictions meaning you can utilize any approved health care provider who agrees to accept the rate NYHA pays.

**Question:** Would the government control my health care?

**Answer:** Under NYHA the State of New York would be the only payer of health care services, meaning approval for health care services would lie with the government.

**Question:** What is the total cost of NYHA each year?

**Answer:** Cost estimates for NYHA implementation range from \$250 billion to \$380 billion a year. The legislative sponsor of NYHA commissioned an analysis that conservatively suggests \$91 billion in new taxes would be required to fund NYHA.

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<sup>4</sup> <https://www.fraserinstitute.org/studies/waiting-your-turn-wait-times-for-health-care-in-canada-2017>

**Question:** What is that cost compared to what New York State spends now?

**Answer:** New York's 2018-2019 budget was \$168 billion in total spending. At a minimum cost of \$250 billion, single payer would require an additional \$100 billion in spending just for health care.

**Question:** If supporters believe we need to raise taxes by \$91 billion, what does that mean for me?

**Answer:** The answer depends greatly on the financing mechanism adopted. The current proposal would fund single payer through two new taxes: a premium payroll tax paid for through 80% employer contribution and 20% employee contribution and a capital gains tax. As proposed, NYHA would result in an 82% tax increase for employees and a 2,600% in taxes on employers.

**Question:** How long would it take to implement NYHA?

**Answer:** NYHA calls for implementation within two years. No other country has implemented a single payer system in less than a decade; Canada and the U.K. did so in approximately two decades.

**Question:** Could NYHA really be implemented in two years?

**Answer:** There are a number of legal impediments that could delay implementation. New York would have to apply for Medicaid waivers on an unprecedented scale. The Employee Retirement Income Security Act of 1974 (ERISA) also presents substantial obstacles that could prevent or delay implementation of NYHA. The bottom line is that New York would require federal action, likely by both the Executive and Legislative branches.

**Question:** What impact will NYHA have on the New York economy?

**Answer:** Although this is a complex question, there are several outcomes that are known. NYHA's supporting economist estimates that New York will lose 150,000 jobs if NYHA is implemented, equivalent to job losses experienced in the Great Recession. NYHA's economist believes that New York will regain those jobs within two years, which has never occurred in the New York labor market. Lost jobs represent approximately \$9 billion in wages lost to the implementation of single payer. Proposed tax increases are, on average, 82% for individuals and 2,600% for businesses. We don't know the impact of an increase this size because it has never been attempted in New York.

**Question:** How is NYHA similar to other countries?

**Answer:** Much like other single payer systems, a single entity (New York State) would pay the claims and universal coverage would be extended to all persons residing in New York. Coverage would be publicly financed through dedicated taxes.

**Question:** How is NYHA different than single payer in other countries?

**Answer:** NYHA differs from single payer in other countries in significant ways. First, in benefits: NYHA covers benefits such as prescription drugs, home care, behavioral health and long term care that aren't covered by any other country. Second, NYHA prohibits copayments and coinsurance, which is a typical financing mechanism in single payer countries. NYHA also differ significantly in reimbursement. Countries that have enacted single payer institute price controls that mandate payments at a specific level, which is achieved through the monopsony power of the government. NYHA requires reimbursement to be negotiated with providers, while also allowing providers to collectively bargain.

**Question:** How many other states have single payer?

**Answer:** No states have adopted a single payer system. Vermont passed legislation to enact single payer but was forced to abandon it due to costs. Colorado recently placed single payer on a ballot initiative, where it was defeated 70-30. California also attempted to pass single payer legislation, but failed to do so when a legislative analysis suggested its cost could be \$400 billion a year.