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## Frequently Asked Questions

**Question:** What is single payer?

**Answer:** Single payer means a government run health plan - 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. Single payer is one form of universal coverage.

**Question:** What is the difference between “single payer” and “Medicare for All”?

**Answer:** Single payer is where government runs the health plan. Medicare for All includes a combination of public government run health coverage and private health coverage, but it is managed by the federal government.

**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>

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<sup>1</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>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)

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

**Answer:** All single payer programs are financed through taxes.

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

**Answer:** The RAND Corporation recently conducted an independent analysis, which found that a single payer system will initially require an additional \$139 billion in taxes, quickly rising to \$210 billion. Including long term care benefits increases the required new taxes to \$182 billion initially, rising to \$253 billion.

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

**Answer:** Access to health care services, such as specialty hospitals, will likely be more limited under single payer. In their independent analysis, the RAND Corporation indicated “there would still be unmet patient demand” that can result in “long wait times for appointments or providers not accepting new patients.” They also noted single payer is likely to result in “changes in providers’ recommendations regarding courses of treatment or through constraints on technology and equipment.” The “wait line” for health services has been experienced in those countries that have single payer.

**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 long term care.

**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 95% 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.

**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. It is important to note that the RAND Corporation estimates significant spending reductions in provider payments in order to control the cost of the NYHA.

**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:** The RAND Corporation found that the NYHA will initially cost \$309 billion, quickly rising to \$461 billion. Long term care benefits increase the cost to \$369.1 billion initially, rising to \$538.2 billion.

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

**Answer:** New York's 2018-2019 entire budget for all services (health education, transportation, etc.) was \$168 billion in total spending. According to the RAND Corporation, single payer would require an additional \$210 billion in new taxes (\$253 billion with long term care) when fully implemented – more than doubling the entire State Budget.

**Question:** If Single Payer requires \$250 billion+ in new taxes, what does that mean for me?

**Answer:** In general, single payer would at least triple New York State taxes. The specific answer is difficult to determine since the current proposal doesn't provide details. It requires the governor to develop a plan that would be based on financing single payer through two new taxes: 1) a payroll tax with an 80% employer contribution and 20% employee contribution, and 2) a tax on other taxable income (e.g., interest, dividend, etc.).

**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. Federal law (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. The NYHA would require \$250 billion in new taxes that will be paid by individuals and 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 differs 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. Lastly, the NYHA relies heavily on federal funding to continue at the current levels.

**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.