

CITY OF SEATTLE

RESOLUTION 32052

A RESOLUTION to stop privatizing the United States Medicare system.

WHEREAS, since 1965 Medicare has been the national health care system for seniors and the disabled in the United States; and

WHEREAS, Medicare beneficiaries are among the most vulnerable populations served in health care, and need more, not fewer, benefits and protections; and

WHEREAS, traditional Medicare holds sacred the relationship between Medicare beneficiaries and their chosen health care provider; and

WHEREAS, traditional Medicare, is a public good and should not be privatized; and

WHEREAS, Wall Street has for decades tried and failed to privatize the Social Security system; and

WHEREAS, the prospect of Wall Street getting a piece of what is projected to be \$1.6 trillion of annual Medicare spending by 2028 has led to a rush to buy-up Accountable Care Organizations for managing Medicare services; and

WHEREAS, the Trump administration opened the door to the complete privatization of Medicare through a Direct Contracting pilot program allowing private equity firms, insurance companies, and corporate health businesses to directly contract to provide Medicare services; and

WHEREAS, the Biden administration ended the Direct Contracting pilot and rebranded it as the ACO REACH (Accountable Care Organization Realizing Equity, Access, and Community Health) pilot to begin in January of 2023; and

1 WHEREAS, public health advocates across the country see little difference between ACO
2 REACH and the Direct Contracting pilot, since both pilot programs allow third party
3 private entities to wedge themselves between patients and their healthcare providers and
4 to draw down the Medicare Trust Fund by making huge profits in several ways, including
5 weakening services for Medicare beneficiaries; and

6 WHEREAS, nothing in the ACO REACH pilot spells out a systemic way to address the real
7 inequities suffered by BIPOC individuals and BIPOC communities due to historic under-
8 resourcing; and

9 WHEREAS, addressing real equity issues can be done within the traditional Medicare system;

10 NOW, THEREFORE,

11 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:**

12 Section 1. The City Council opposes the privatization of the Medicare system, favors
13 terminating the Accountable Care Organization Realizing Equity, Access, and Community
14 Health (ACO REACH) pilot program, and favors closing the door on third party entities in the
15 Medicare system.

16 Section 2. The Office of Intergovernmental Relations is requested to transmit a copy of
17 this position to Washington State congressional delegation, to President Joe Biden, and to
18 Secretary of Health and Human Services Xavier Becerra.

