

**STOP THE PRIVATIZATION OF MEDICARE/ABOLISH ACO REACH RESOLUTION**

Submitted by Peter Shapiro, CARA

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 want and is able to 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 Sen. 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 (DCE's)" without their consent or even knowledge,

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 not by ending it but by making essentially cosmetic changes and rebranding 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 Alameda Labor Council calls upon the AFL-CIO to ask President Biden to end the ACO/REACH program immediately.