



Medicare for All: Comparison of Financing Options

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Summary: We present the macroeconomic and demographic effects of a stylized mandatory single-payer healthcare system (“Medicare for All” or “M4A”) system under three different financing mechanisms: premiums, payroll, and deficits.

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Table 1. Effects on Health in 2060

Financing Option	Population not Receiving Medical Treatment			Population in the Sickest Health States	Increase in Productivity
	Uninsured				
Current Law	27.1%	12.3%	14.5%	n/a	
Premium	0.0%	0.5%	13.3%	3.6%	
Payroll	0.0%	0.7%	13.2%	7.2%	
Deficit	0.0%	0.6%	13.3%	7.6%	

Note: The effects of health on productivity are calculated as a percentage change from current law.

Table 2. Effects on Longevity and the Population in 2060

Financing Option	Change in Life Expectancy (years)	Change in Population Size (%)
Premium	1.8	2.9
Payroll	1.8	2.9
Deficit	1.8	2.9

Figure 3. Population that Foregoes Medical Treatment

Percent of the Population

Year	Current Law	Premium	Payroll	Deficit
2020	4.5	4.5	4.2	4.5
2021	4.9	0.4	0.6	0.6
2022	5.2	0.3	0.6	0.6
2023	5.6	0.3	0.6	0.6
2024	6.0	0.3	0.6	0.6
2025	6.5	0.3	0.6	0.6
2026	6.8	0.3	0.7	0.6
2027	7.3	0.4	0.7	0.7
2028	7.4	0.4	0.7	0.7
2029	7.8	0.4	0.7	0.7
2030	8.2	0.4	0.7	0.7
2031	8.4	0.4	0.7	0.7
2032	8.7	0.4	0.7	0.7
2033	9.0	0.4	0.7	0.7
2034	9.3	0.4	0.7	0.7
2035	9.5	0.4	0.7	0.7
2036	9.7	0.4	0.7	0.7
2037	9.9	0.4	0.7	0.7
2038	10.2	0.4	0.7	0.7
2039	10.5	0.4	0.7	0.7
2040	10.8	0.4	0.7	0.7
2041	10.9	0.4	0.7	0.7
2042	11.0	0.4	0.7	0.7
2043	11.1	0.4	0.7	0.7
2044	11.2	0.4	0.7	0.7
2045	11.5	0.4	0.7	0.7
2046	11.5	0.4	0.7	0.7
2047	11.6	0.4	0.7	0.7
2048	11.7	0.4	0.7	0.7
2049	11.7	0.4	0.7	0.7



2050	11.9	0.4	0.7	0.7
2051	11.9	0.4	0.7	0.7
2052	11.9	0.4	0.7	0.7
2053	12.1	0.4	0.7	0.7
2054	12.1	0.4	0.7	0.7
2055	12.2	0.4	0.7	0.6
2056	12.2	0.4	0.7	0.6
2057	12.2	0.4	0.7	0.6
2058	12.2	0.4	0.7	0.6
2059	12.3	0.4	0.7	0.6
2060	12.2	0.4	0.7	0.6

Figure 4. Change in Total Health Spending

Percent Difference from Current Law

Year	Premium	Payroll	Deficit
2020	0.0	0.0	0.0
2021	2.4	2.5	2.5
2022	1.3	1.2	1.2
2023	0.1	0.1	0.0
2024	-0.7	-0.6	-0.8
2025	-1.2	-1.1	-1.3
2026	-1.4	-1.3	-1.5
2027	-1.4	-1.3	-1.5
2028	-1.7	-1.7	-1.8
2029	-1.7	-1.6	-1.7
2030	-1.7	-1.6	-1.7
2031	-1.5	-1.4	-1.5
2032	-1.4	-1.3	-1.4
2033	-1.2	-1.2	-1.2
2034	-1.3	-1.2	-1.2
2035	-1.1	-1.1	-1.1
2036	-0.7	-0.7	-0.7
2037	-0.4	-0.3	-0.3
2038	0.0	0.0	0.0
2039	0.3	0.3	0.4
2040	0.7	0.7	0.8
2041	1.1	1.0	1.1
2042	1.4	1.4	1.4
2043	1.9	1.8	1.9
2044	2.2	2.2	2.2
2045	2.8	2.8	2.9
2046	3.4	3.3	3.4
2047	4.0	3.9	4.0
2048	4.6	4.5	4.6
2049	5.2	5.1	5.2

2050	5.9	5.9	6.0
2051	6.6	6.5	6.6
2052	7.3	7.2	7.3
2053	8.2	8.1	8.2
2054	9.0	8.9	9.0
2055	9.7	9.6	9.7
2056	10.3	10.3	10.3
2057	11.0	11.0	11.0
2058	11.7	11.7	11.7
2059	12.5	12.5	12.5
2060	13.0	13.0	13.0

Figure 5. Payroll Taxes and Premiums - Insurance Premiums
Percent Difference from Current Law

Year	Premium	Payroll	Deficit
2020	0.0	0.0	0.0
2021	0.5	-67.4	-67.4
2022	-0.3	-68.0	-68.0
2023	-1.2	-68.7	-68.7
2024	-2.2	-69.3	-69.3
2025	-3.1	-69.9	-69.9
2026	-3.9	-70.5	-70.5
2027	-4.8	-71.1	-71.1
2028	-5.5	-71.7	-71.7
2029	-6.4	-72.3	-72.3
2030	-7.1	-72.9	-72.9
2031	-7.9	-73.4	-73.4
2032	-8.6	-73.9	-73.9
2033	-9.3	-74.4	-74.4
2034	-10.0	-74.9	-74.9
2035	-10.5	-75.4	-75.4
2036	-11.1	-75.8	-75.8
2037	-11.6	-76.2	-76.2
2038	-12.0	-76.6	-76.6
2039	-12.4	-77.0	-77.0
2040	-12.9	-77.4	-77.4
2041	-13.2	-77.7	-77.7
2042	-13.4	-78.0	-78.0
2043	-13.7	-78.3	-78.3
2044	-13.8	-78.6	-78.6
2045	-14.1	-78.8	-78.8
2046	-14.3	-79.1	-79.1
2047	-14.3	-79.3	-79.3
2048	-14.4	-79.6	-79.6
2049	-14.4	-79.8	-79.8



2050	-14.3	-80.0	-80.0
2051	-14.3	-80.2	-80.2
2052	-14.1	-80.4	-80.4
2053	-14.1	-80.5	-80.5
2054	-14.0	-80.7	-80.7
2055	-13.9	-80.9	-80.9
2056	-13.8	-81.1	-81.1
2057	-13.7	-81.3	-81.3
2058	-13.6	-81.5	-81.5
2059	-13.5	-81.7	-81.7
2060	-13.3	-81.9	-81.9

Figure 5. Payroll Taxes and Premiums - Increase in Payroll Tax Rates
Percentage Point Change from Current Law

Year	Premium	Payroll	Deficit
2020	0.0	0.0	0.0
2021	0.0	6.9	0.0
2022	0.0	7.0	0.0
2023	0.0	7.0	0.0
2024	0.0	7.1	0.0
2025	0.0	7.2	0.0
2026	0.0	7.3	0.0
2027	0.0	7.5	0.0
2028	0.0	7.6	0.0
2029	0.0	7.9	0.0
2030	0.0	8.2	0.0
2031	0.0	8.4	0.0
2032	0.0	8.6	0.0
2033	0.0	8.8	0.0
2034	0.0	9.1	0.0
2035	0.0	9.3	0.0
2036	0.0	9.5	0.0
2037	0.0	9.8	0.0
2038	0.0	10.0	0.0
2039	0.0	10.3	0.0
2040	0.0	10.5	0.0
2041	0.0	10.8	0.0
2042	0.0	11.0	0.0
2043	0.0	11.3	0.0
2044	0.0	11.6	0.0
2045	0.0	11.8	0.0
2046	0.0	12.1	0.0
2047	0.0	12.4	0.0
2048	0.0	12.7	0.0
2049	0.0	13.0	0.0



2050	0.0	13.3	0.0
2051	0.0	13.6	0.0
2052	0.0	13.9	0.0
2053	0.0	14.2	0.0
2054	0.0	14.6	0.0
2055	0.0	14.9	0.0
2056	0.0	15.3	0.0
2057	0.0	15.7	0.0
2058	0.0	16.0	0.0
2059	0.0	16.4	0.0
2060	0.0	16.8	0.0



Figure 6. Revenue, Debt and Social Security Payments - Difference in Income Tax Revenues
Percent Difference from Current Law

Year	Premium	Payroll	Deficit
2020	0.0	0.0	0.0
2021	8.1	2.9	6.0
2022	8.6	3.1	6.0
2023	9.0	3.2	5.9
2024	9.4	3.3	5.9
2025	9.7	3.4	5.9
2026	10.1	3.5	5.9
2027	10.5	3.6	5.9
2028	10.9	3.7	5.9
2029	11.8	3.8	6.3
2030	12.3	3.8	6.3
2031	12.8	3.9	6.3
2032	13.3	4.0	6.4
2033	13.8	4.0	6.4
2034	14.3	4.2	6.4
2035	14.9	4.3	6.4
2036	15.5	4.4	6.4
2037	16.1	4.5	6.4
2038	16.7	4.6	6.3
2039	17.3	4.8	6.3
2040	17.9	4.9	6.2
2041	18.6	5.1	6.2
2042	19.2	5.2	6.1
2043	19.9	5.4	6.0
2044	20.6	5.5	5.8
2045	21.4	5.6	5.7
2046	22.1	5.8	5.5
2047	22.8	5.9	5.3
2048	23.6	6.1	5.0
2049	24.4	6.2	4.7



2050	25.2	6.4	4.4
2051	26.0	6.5	4.0
2052	26.8	6.7	3.6
2053	27.6	6.8	3.2
2054	28.5	6.9	2.7
2055	29.4	7.0	2.2
2056	30.4	7.2	1.6
2057	31.4	7.4	0.9
2058	32.4	7.5	0.1
2059	33.6	7.7	-0.7
2060	34.7	7.9	-1.7



Figure 6. Revenue, Debt and Social Security Payments - Differences in Payroll Tax Revenues
Percent Difference from Current Law

Year	Premium	Payroll	Deficit
2020	0.0	0.0	0.0
2021	11.1	82.4	8.9
2022	11.7	84.3	9.1
2023	12.2	86.1	9.2
2024	12.7	88.0	9.4
2025	13.3	90.1	9.6
2026	13.9	92.1	9.8
2027	14.4	94.4	10.0
2028	15.0	96.6	10.2
2029	15.7	98.8	10.4
2030	16.4	101.5	10.6
2031	17.1	104.0	10.8
2032	17.7	106.6	11.0
2033	18.4	109.4	11.2
2034	19.2	112.1	11.4
2035	19.9	114.8	11.6
2036	20.6	117.4	11.8
2037	21.3	120.1	11.9
2038	22.0	122.8	12.0
2039	22.8	125.7	12.2
2040	23.6	128.5	12.3
2041	24.4	131.4	12.5
2042	25.2	134.2	12.5
2043	26.0	137.1	12.6
2044	26.8	140.1	12.7
2045	27.7	143.2	12.7
2046	28.5	146.2	12.7
2047	29.4	149.3	12.7
2048	30.2	152.3	12.7
2049	31.1	155.5	12.6



2050	31.9	158.7	12.5
2051	32.8	161.9	12.3
2052	33.7	165.1	12.1
2053	34.6	168.4	11.9
2054	35.6	171.8	11.6
2055	36.7	175.7	11.4
2056	37.7	179.2	11.0
2057	38.8	183.3	10.7
2058	39.8	187.3	10.2
2059	41.0	191.3	9.7
2060	42.1	195.1	9.0



Figure 6. Revenue, Debt and Social Security Payments - Difference in Government OASI Spending
Percent Difference from Current Law

Year	Premium	Payroll	Deficit
2020	0.0	0.0	0.0
2021	0.0	0.0	0.0
2022	0.0	0.0	0.0
2023	0.0	0.1	0.1
2024	0.1	0.1	0.1
2025	0.2	0.1	0.2
2026	0.2	0.2	0.2
2027	0.3	0.3	0.3
2028	0.4	0.3	0.4
2029	0.6	0.4	0.6
2030	0.7	0.5	0.7
2031	0.9	0.6	0.8
2032	1.1	0.8	1.0
2033	1.2	0.9	1.1
2034	1.4	1.0	1.3
2035	1.7	1.2	1.5
2036	1.9	1.3	1.6
2037	2.1	1.5	1.8
2038	2.4	1.7	2.0
2039	2.7	1.8	2.2
2040	3.0	2.0	2.4
2041	3.3	2.2	2.6
2042	3.6	2.4	2.8
2043	3.9	2.6	3.0
2044	4.2	2.8	3.3
2045	4.6	3.1	3.5
2046	5.0	3.3	3.7
2047	5.3	3.5	3.9
2048	5.7	3.8	4.2
2049	6.1	4.1	4.4



2050	6.6	4.3	4.6
2051	7.0	4.6	4.9
2052	7.4	4.9	5.1
2053	7.9	5.2	5.4
2054	8.4	5.5	5.6
2055	8.9	5.8	5.9
2056	9.4	6.2	6.1
2057	9.9	6.5	6.4
2058	10.5	6.9	6.6
2059	11.1	7.3	6.9
2060	11.7	7.7	7.2

Figure 6. Revenue, Debt and Social Security Payments - Difference in Debt
Percent Difference from Current Law

Year	Premium	Payroll	Deficit
2020	0.0	0.0	0.0
2021	0.0	-0.1	0.0
2022	-4.9	-3.9	1.3
2023	-8.6	-6.6	3.4
2024	-12.2	-9.3	5.3
2025	-15.6	-11.9	7.0
2026	-18.8	-14.3	8.7
2027	-21.9	-16.6	10.2
2028	-24.8	-18.7	11.7
2029	-27.6	-20.7	13.1
2030	-30.3	-22.5	14.5
2031	-33.0	-24.2	15.8
2032	-35.5	-25.9	17.1
2033	-37.9	-27.4	18.4
2034	-40.3	-28.9	19.7
2035	-42.5	-30.3	21.0
2036	-44.7	-31.6	22.3
2037	-46.7	-32.9	23.6
2038	-48.7	-34.1	24.9
2039	-50.6	-35.2	26.3
2040	-52.5	-36.3	27.6
2041	-54.2	-37.4	29.0
2042	-55.9	-38.4	30.3
2043	-57.6	-39.3	31.6
2044	-59.2	-40.2	32.9
2045	-60.8	-41.0	34.3
2046	-62.4	-41.9	35.6
2047	-63.9	-42.7	36.9
2048	-65.4	-43.5	38.2
2049	-66.8	-44.2	39.6



2050	-68.2	-44.9	41.0
2051	-69.6	-45.6	42.5
2052	-71.0	-46.2	43.9
2053	-72.3	-46.8	45.4
2054	-73.6	-47.4	46.9
2055	-74.9	-47.9	48.4
2056	-76.1	-48.4	50.0
2057	-77.3	-48.9	51.6
2058	-78.5	-49.4	53.3
2059	-79.7	-49.9	55.0
2060	-80.9	-50.3	56.7

Figure 7. Key Macroeconomic Variables - Difference in Capital

Percent Difference from Current Law

Year	Premium	Payroll	Deficit
2020	0.0	0.0	0.0
2021	-0.9	-3.6	-2.2
2022	-0.4	-3.7	-2.4
2023	-0.1	-3.8	-2.8
2024	0.2	-3.8	-3.1
2025	0.6	-3.9	-3.4
2026	1.0	-3.9	-3.7
2027	1.4	-3.9	-4.0
2028	1.9	-3.9	-4.3
2029	2.3	-4.3	-4.8
2030	2.8	-4.3	-5.1
2031	3.4	-4.3	-5.4
2032	3.9	-4.3	-5.8
2033	4.5	-4.2	-6.1
2034	5.1	-4.2	-6.5
2035	5.8	-4.1	-6.9
2036	6.5	-4.0	-7.3
2037	7.2	-3.9	-7.7
2038	7.9	-3.8	-8.1
2039	8.7	-3.7	-8.5
2040	9.5	-3.5	-9.0
2041	10.3	-3.4	-9.5
2042	11.2	-3.2	-10.0
2043	12.1	-3.0	-10.5
2044	13.0	-2.8	-11.1
2045	14.0	-2.6	-11.7
2046	15.0	-2.4	-12.3
2047	16.0	-2.2	-12.9
2048	17.1	-1.9	-13.6
2049	18.2	-1.6	-14.3



2050	19.3	-1.4	-15.1
2051	20.5	-1.1	-15.9
2052	21.7	-0.8	-16.7
2053	23.0	-0.5	-17.7
2054	24.3	-0.2	-18.6
2055	25.6	0.1	-19.7
2056	27.0	0.4	-20.8
2057	28.4	0.7	-22.0
2058	29.9	1.0	-23.2
2059	31.5	1.4	-24.5
2060	33.1	1.8	-26.0

Figure 7. Key Macroeconomic Variables - Difference in Hours Worked
Percent Difference from Current Law

Year	Premium	Payroll	Deficit
2020	0.0	0.0	0.0
2021	-1.5	-6.0	-3.7
2022	-1.4	-5.9	-3.7
2023	-1.3	-5.9	-3.7
2024	-1.1	-5.7	-3.7
2025	-1.0	-5.7	-3.7
2026	-0.9	-5.6	-3.7
2027	-0.8	-5.6	-3.7
2028	-0.6	-5.6	-3.6
2029	-0.6	-6.1	-3.8
2030	-0.5	-6.1	-3.8
2031	-0.4	-6.1	-3.8
2032	-0.3	-6.1	-3.8
2033	-0.2	-6.1	-3.8
2034	0.0	-6.1	-3.7
2035	0.1	-6.1	-3.7
2036	0.2	-6.1	-3.7
2037	0.3	-6.1	-3.7
2038	0.5	-6.1	-3.6
2039	0.6	-6.1	-3.6
2040	0.7	-6.1	-3.6
2041	0.8	-6.1	-3.6
2042	1.0	-6.0	-3.5
2043	1.1	-6.0	-3.5
2044	1.2	-6.0	-3.5
2045	1.3	-6.1	-3.4
2046	1.5	-6.1	-3.4
2047	1.6	-6.1	-3.4
2048	1.7	-6.1	-3.4
2049	1.8	-6.2	-3.4



2050	1.9	-6.2	-3.4
2051	2.0	-6.3	-3.4
2052	2.2	-6.3	-3.5
2053	2.3	-6.4	-3.5
2054	2.4	-6.4	-3.6
2055	2.5	-6.5	-3.6
2056	2.7	-6.6	-3.7
2057	2.8	-6.7	-3.8
2058	2.9	-6.8	-3.9
2059	3.1	-6.9	-4.0
2060	3.2	-7.0	-4.1

Figure 7. Key Macroeconomic Variables - Difference in GDP
Percent Difference from Current Law

Year	Premium	Payroll	Deficit
2020	0.0	0.0	0.0
2021	-1.2	-4.9	-3.0
2022	-1.0	-4.9	-3.2
2023	-0.7	-4.9	-3.3
2024	-0.5	-4.9	-3.4
2025	-0.3	-4.9	-3.6
2026	0.0	-4.9	-3.7
2027	0.2	-4.9	-3.8
2028	0.5	-4.8	-3.9
2029	0.7	-5.3	-4.2
2030	1.0	-5.3	-4.4
2031	1.3	-5.3	-4.5
2032	1.6	-5.3	-4.7
2033	1.9	-5.3	-4.8
2034	2.3	-5.3	-5.0
2035	2.6	-5.2	-5.2
2036	3.0	-5.2	-5.3
2037	3.4	-5.1	-5.5
2038	3.7	-5.1	-5.7
2039	4.1	-5.0	-5.9
2040	4.6	-4.9	-6.1
2041	5.0	-4.9	-6.3
2042	5.4	-4.8	-6.5
2043	5.9	-4.7	-6.7
2044	6.4	-4.6	-7.0
2045	6.8	-4.5	-7.2
2046	7.3	-4.4	-7.5
2047	7.8	-4.3	-7.8
2048	8.3	-4.3	-8.1
2049	8.9	-4.2	-8.5



2050	9.4	-4.1	-8.8
2051	10.0	-4.0	-9.3
2052	10.5	-3.9	-9.7
2053	11.1	-3.8	-10.2
2054	11.7	-3.7	-10.7
2055	12.3	-3.6	-11.2
2056	13.0	-3.5	-11.8
2057	13.6	-3.4	-12.4
2058	14.3	-3.4	-13.1
2059	15.0	-3.3	-13.9
2060	15.7	-3.2	-14.7

Figure 7. Key Macroeconomic Variables - Difference in Output per Hour
Percent Difference from Current Law

Year	Premium	Payroll	Deficit
2020	0.0	0.0	0.0
2021	3.8	5.1	5.4
2022	3.9	5.2	5.3
2023	4.0	5.2	5.2
2024	4.1	5.2	5.1
2025	4.2	5.3	5.0
2026	4.3	5.4	5.0
2027	4.5	5.4	4.9
2028	4.6	5.5	4.8
2029	5.0	5.8	4.9
2030	5.1	5.8	4.7
2031	5.3	5.9	4.7
2032	5.5	6.0	4.5
2033	5.8	6.1	4.4
2034	6.0	6.2	4.3
2035	6.2	6.4	4.2
2036	6.4	6.5	4.0
2037	6.7	6.6	3.9
2038	7.0	6.7	3.7
2039	7.2	6.8	3.5
2040	7.5	7.0	3.3
2041	7.8	7.1	3.1
2042	8.1	7.2	2.9
2043	8.4	7.4	2.6
2044	8.7	7.5	2.4
2045	9.1	7.7	2.1
2046	9.5	7.9	1.9
2047	9.8	8.0	1.6
2048	10.2	8.2	1.3
2049	10.7	8.4	1.0



2050	11.1	8.6	0.6
2051	11.5	8.8	0.3
2052	12.0	9.1	-0.1
2053	12.4	9.3	-0.5
2054	12.9	9.5	-0.9
2055	13.4	9.8	-1.4
2056	13.9	10.1	-1.9
2057	14.4	10.3	-2.4
2058	15.0	10.6	-3.0
2059	15.5	10.9	-3.6
2060	16.1	11.2	-4.3