

United States Senate

September 14, 2017

Dr. Keith Hall
Director
Congressional Budget Office
Ford House Office Building, 4th Floor
Second and D Streets, SW
Washington, DC 20515-6925

Dear Director Hall,

I request the Congressional Budget Office provide Congress with a full cost estimate of a bill introduced this week by Senator Bernie Sanders, S. 1804, which would establish a "Medicare-for-All" health system.

I am deeply concerned that Senator Sanders' Medicare-for-All legislation is not only a government takeover of health care, but would also put financial burdens on the American people that they cannot sustain. It is being sold as a new health system paid for completely by the government, with no restrictions and at no cost to the patient. Of course, such a system would be anything but free for the American taxpayer. Senator Sanders' plan would cause federal spending to skyrocket and require massive tax increases— a policy combination that would have crippling effects on the American economy.

To date, Senator Sanders has not provided an estimate of the cost of his bill, an analysis of its economic impact, nor a concrete plan to finance the massive new spending he proposes. Instead, he has offered a whitepaper listing "Options to Finance Medicare for All."¹

The Urban Institute, however, provided an estimate of a similar proposal by Senator Sanders and found it would increase federal spending by \$2.5 trillion in 2017 and by \$32 trillion over ten years.² For context, the CBO estimates that the entire federal government will spend \$4 trillion in 2017. Thus, Senator Sanders' plan would increase total federal spending by 63 percent in just one year. The Urban Institute's estimate also determined that "Sanders's revenue proposals, intended to finance all new health and nonhealth spending, would raise \$15.3 trillion in revenue over 2017 to 2026. This amount is approximately \$16.6 trillion less than the increased federal cost of his health care plan estimated here."

I request that your agency provide a cost estimate of Senator Sanders' bill, including increased interest costs on any new federal debt incurred as a result of the proposal. In addition, I

¹ Options to Finance Medicare for All, <https://www.sanders.senate.gov/download/options-to-finance-medicare-for-all?inline=file>.

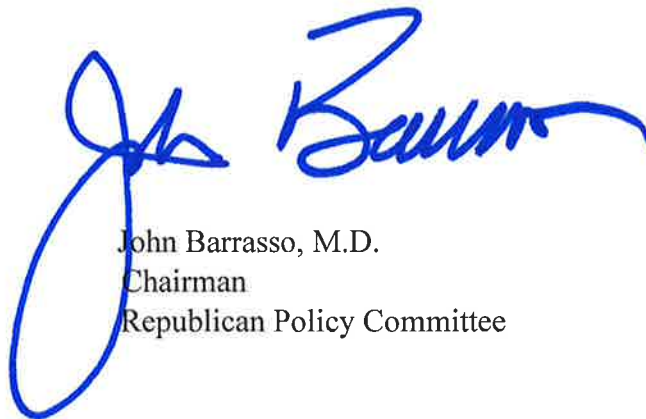
² The Sanders Single-Payer Health Care Plan, The Urban Institute, May 2016, <https://www.urban.org/sites/default/files/publication/80486/200785-The-Sanders-Single-Payer-Health-Care-Plan.pdf>.

request that you work with the Joint Committee on Taxation to provide a revenue estimate for the list of taxes included in his "Options to Finance Medicare for All." Finally, please include an analysis of the economic impact of his proposal, including but not limited to the crowding out effect that any increase on federal borrowing would have on private sector economic growth and employment.

As the country engages in a serious debate about how best to reform our health care system, it is imperative that the public understand the cost of Senator Sanders' Medicare-for-All proposal.

Thank you for your prompt attention to this important matter. If you have any questions regarding this request, please contact Alyene Senger on my staff.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Barrasso". The signature is fluid and cursive, with a large loop at the end of the last name.

John Barrasso, M.D.
Chairman
Republican Policy Committee