



July 29, 2010

Medicare turns 65 – birthday lessons to learn

Happy birthday to us! We, the people of America, have a lot to celebrate tomorrow, July 30th, the 45th birthday of Medicare. In 1945 then-president Harry Truman proposed health care for all Americans, with a special eye on seniors' needs. It took 20 years to pass Medicare, Title XVIII of the Social Security Act. When Lyndon Johnson signed Medicare into law on July 30, 1965 seniors were the most likely group to suffer from economic insecurity and only about half of them had health insurance.¹

We've come a long way, baby! Today individuals age 65 and over are the least likely group to be uninsured among all age groups. Less than 2 percent were without insurance anytime in 2008, and 94 percent were covered by public health insurance.² Medicare insured 19 million Americans over the age of 65 in 1966 when it was implemented.³ Today it insures about 46.6 million seniors and individuals with a disability.⁴

There are several important lessons to be learned from the 45 year history of Medicare. The first is that large public structures like Medicare promote the well-being of large segments of our communities and provide the peace of mind that all of us value. Missouri could not have taken on providing health insurance for the 993,000 Missourians who benefit currently from Medicare,⁵ nor could any other state. We needed to do it together to be successful.

The second important lesson is that public structures are not set in stone when laws are first signed. Like Social Security, voting and civil rights, Medicare needed to be modified over time to make it work. And it will need to be continually modified.

For example, it wasn't until 1972 that Medicare was extended to include individuals younger than 65 who have a long term disability. Hospice benefits were made permanent in 1986. Coverage of preventive services has been incremental. Coverage for drug benefits took a quantum leap in 2003 with the *Medicare Prescription Drug, Improvement and Modernization Act* that created Part D, along with the infamous donut hole.⁶

¹ See www.findarticles.com/articles/mi_mo795/is_2_27/a1_n1610867/. Downloaded on 7/28/10.

² See www.census.gov/hhs.sss/cpstables/032009/health/h01_001.htm. Downloaded on 7/29/10.

³ Ibid at 1

⁴ See www.statehealthfacts.org, Kaiser Family Foundation. Downloaded on 7/28/10.

⁵ Ibid at 4

⁶ See <http://seniorjournal.com/news/2000files/Aug00/FIR-08-04-00MedCarHistory.htm>. Downloaded on 7/28/10. and www.emaxhealth.com/72/1272.html. downloaded on 7/28/10

Federal health care reform signed in 2010, the *Patient Protection and Affordable Care Act*, continues to improve Medicare. This year, seniors who hit the Medicare donut hole and face paying full costs for their prescriptions, will get a \$250 check to help them out. As federal health care is implemented over time, the donut hole will be completely closed. Preventive services will be provided through Medicare without a co-pay beginning this year. Medicare actuaries report that federal health care reform will extend the life of the Medicare Part A (hospital coverage) Trust Fund by 12 years, from 2017 to 2029.

So even though work remains, it is important to step back and appreciate what has been accomplished by our joint commitment and effort as a nation. There have been many happy returns (in health care) for seniors over the past 45 years, and there will be more for seniors in the future. Assuring this is a test of who we are as a people. Implementing federal reform provides a critical opportunity. Let's do it well so we can truly celebrate Medicare's success on many birthdays to come.