

What was the reasoning behind medicare and medicaid?



**ASSIGN  
BUSTER**

Early in the twentieth century, those concerned in the human condition, mostly reformers and progressives, reasoned that the American family needed protection from the debilitating effects of lost wages subsequent to the family provider becoming unable to work due to an illness or injury. Many of the social service benefits we enjoy today were rooted in what was referred to at that time as “Sickness Insurance”. Sickness insurance included the seeds of future programs like Social Security Retirement, Social Security Disability Insurance (SSI), Unemployment Insurance, Workman’s Compensation and yes - Medicare and Medicaid.

Although advocates for sickness insurance included plans to cover medical expenses. They were far more concerned with families recouping losses due to lost wages than they were with recovering medical expenses. This was because medical expenses during that time period were significantly less expensive and burdensome than they are today. During the first part of the twentieth century the average person spent roughly \$30.00/year - and that amount included burial expenses should they be needed. As a result, the political climate in the first half of the twentieth century, accompanying opposition from the medical profession - and other interest groups, defeated any successful attempt towards establishing health insurance in any form or, for that matter, developing any type of comprehensive health care strategy until the mid to late 1930’s.

Although the Social Security Act was passed by Congress in 1935 and physicians began organizing the first private healthcare plans - like Blue Shield - to cover costs of physicians care in 1939, it wasn’t until the late 1950’s and early 1960’s before the groundwork began which eventually

<https://assignbuster.com/what-was-the-reasoning-behind-medicare-and-medicaid/>

produced Medicare and Medicaid. The stimulus for this development was directly attributable to private insurance companies adjusting their premiums on growing employer-based health coverage on ever increasing medical costs. As a result, the retired and disabled found it progressively more difficult to find affordable coverage as costs for some quickly exceeded their means. Because of this, health reformers focused their efforts on the elderly - a battle more easily won.

In 1960, Federal Employees acquired a health benefit plan (FEHBP), providing health insurance coverage to federal workers. The Kerr-Mills Act was also passed that year which provided federal monetary support to state programs providing medical care to the poor and elderly. The Kerr-Mills Act was the precursor to the Medicaid program.

Shortly after the Civil Rights Act passes in 1964, President Lyndon B. Johnson signed the Medicare and Medicaid programs into law (1965). This legislation created Medicare Part A (covering hospital and limited skilled nursing and home health care), as well as Medicare Part B (a plan to help cover the costs of physician's services). The Medicare and Medicaid programs were incorporated into the Social Security Act as a result of support from the hospital and health insurance industries - mainly because this legislation contained no cost controls or physician fee schedules - along with public approval and a congress containing a progressive, democratic majority. The next ten years, 1971 - 1981 saw an expansion of services under the Social Security Income (SSI) program such as a cash assistance program to elderly and disabled persons along with amendments that allow those with long-term disabilities to qualify for Medicare - while healthcare costs continued to

<https://assignbuster.com/what-was-the-reasoning-behind-medicare-and-medicaid/>

skyrocket and politicians squabbled with special interest groups over proposals and reforms.

The next 30 years, 1981 to 2009, was composed of a flurry of disjointed legislative attempts to both expand healthcare coverage for specific target groups while attempting to reign in the constant upward spiral of health care costs. For example: in 1986 the Emergency Medical Treatment and Active labor Act (EMTALA) required all hospital facilities that received Medicare imbursements to screen and stabilize all persons who used their emergency room facilities - regardless as to the ability to pay.

Then, just a few short years later in the face of the Clinton administration's proposed Health Security Act (which, in 1993, proposed access to healthcare for every American), the Health Insurance Association of America fought back with television ads depicting middle-class American families worried about access to health care under the Clinton sponsored plan. They had cause to worry. In the 10 years between 1987 and 1997 the number of uninsured grew from 31 million to over 42. 4 million as ever increasing healthcare insurance costs, responding to exploding medical care costs, forced individuals and whole families out of the ranks of the insured.

In 2009, the White House held its first Health Reform Summit with key stakeholders. Shortly thereafter, President Obama releases his 2010 fiscal budget which includes 8 principles of health reform (electronic record-keeping, preventing expensive conditions, reducing obesity, refocusing doctor incentives from quantity of care to quality, bundling payments for treatment of conditions rather than specific services, better identifying and

communicating the most cost-effective treatments, and reducing defensive medicine), and sets aside 634 million dollars in a health reform reserve fund while Congress continues to debate national healthcare reform options (Obama, 2009). Late in 2009 both the House and the Senate pass health reform legislation. Even so, neither the House's healthcare reform version nor the Senate's are ratified by both political bodies.

Then, on February 22, 2010 the White House releases President Obama's proposal for health care reform and hosts a second Healthcare summit just 3 days later. One week later, President Obama lays out his proposal and threatens the Senate that - if need be - a reconciliation process that required only a majority vote rather than the normal 60 votes to pass would be used to insure passage of the bill. Less than three weeks later, on March 21, 2010 the House of Representatives passes the Senate's sponsored version of the bill - the Patient Protection and Affordable Care Act (ACA), along with the Healthcare and Education Reconciliation Act of 2010 that amends the original Senate version of the Patient Protection and Affordable Care Act reflecting negotiations between the House and Senate, and sends it to the President for signature. Two days later, President Obama signs the bill and P. L. 11-148 (Patient Protection and Affordable Care Act - ACA), becomes law and Obamacare is born.

Does the Affordable Care Act of 2010 adequately fix the majority of the healthcare problems we face as a nation today? Or should the responsibility of individual health be on the individual?

In the words of Phil Schiliro, former Director of White House Legislative Affairs - " The right measure of the ACA isn't whether it avoids political controversy; it's whether it makes America better by achieving its five most fundamental goals: expanding health-insurance coverage, lowering costs and promoting fiscal responsibility, increasing quality through innovation, protecting seniors and delivering peace of mind to American families by guaranteeing essential rights...". With these goals in place, individuals can concentrate on lifestyles that promote health rather than worrying about getting help when efforts in this regard fail expectations.

## References

Timeline: History of Health Reform in the U. S.

<https://kaiserfamilyfoundation.files.wordpress.com/2011/03/5-02-13-history-of-health-reform.pdf>

A Brief History of Workers' Compensation, Gregory P Guyton, Department of Orthopedics, University of North Carolina, Chapel Hill, NC; Copyright © 1999, The Iowa Orthopedic Journal

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1888620/>

Medicare and Medicaid: The Past as Prologue, Edward Berkowitz, Health Care Financing Review/Spring 2008/Volume 29, Number 3

<https://www.cms.gov/Research-Statistics-Data-and-https://www.cms.gov/Research-Statistics-Data-Systems/Research/HealthCareFinancingReview/downloads/08Springpg81.pdf>

<https://assignbuster.com/what-was-the-reasoning-behind-medicare-and-medicaid/>

“ Health is ultimately the responsibility of the individual”: to what extent is this viewpoint correct? rodrigo | November 13, 2012 The WritePass Journal

<https://writepass.com/journal/2012/11/health-is-ultimately-the-responsibility-of-the-individual-to-what-extent-is-this-viewpoint-correct/>

Who is Responsible for Your Health? Sarah Lifsey, May 14, 2015, Altarum Institute

[altarum.org/health-policy-blog/who-is-responsible-for-your-health](http://altarum.org/health-policy-blog/who-is-responsible-for-your-health)

ProCon.org. (2015, May 8). Is the Patient Protection and Affordable Care Act (Obamacare) Good for America? Retrieved from <http://healthcarereform.procon.org/view.answers.php?questionID=001526>

“ Remarks by the President to the AMA” (June 15, 2009). Whitehouse.gov. Retrieved January 12, 2012.

<https://www.whitehouse.gov/the-press-office/remarks-president-annual-conference-american-medical-association>

<https://assignbuster.com/what-was-the-reasoning-behind-medicare-and-medicaid/>