Policy process



Running Head: Health Care Policy: The Past and the FutureMedicare Shanta SearlesAGHC1000BHCS 455: Health Care Policy: The Past and the FutureJune 16, 2010Lance E. Danko, MSM, RHIA, CTR Medicare the BeginningThe 20th century had seen a transformation of unprecedented magnitude in health care industry.

Significant controls over health care markets are now under governments??

™ control. Medicare dramatically influenced the transformation that made the government the biggest purchaser of health care services. This paper investigates how and why Medicare began, and the three stages that are involved with Medicare becoming law. The following stages that will be examined are formulation stage the beginning.

How Medicare was debated before the general body of legislature, the legislation stage. Finally, how Medicare was implemented into law, the implementation stage. Formulation StageFormulation Stage is defined as is the ??? first and often most challenging stage in using formal decision methods (and in decision analysis in particular).

The objective of the formulation stage is to develop a formal model of the given decision,??? (Wikipedia, 2010). Prior to 1965, when President Lyndon Johnson signed Medicare into law. The elderly had no health insurance and other individuals had inadequate health coverage. The program was model on standard employer-sponsored health plan (Dowdal, 1999).

This was to increase access to insurance coverage of health care for significant benefits for the elderly including improvement in health and income status (Dowdal, 1999). The American people rejected government-

mandated health insurance year after year before the 1965. Advocates came back year after year pursing incremental strategies to get health insurance passed. Whether by distributing propaganda paid by government funds, in order to get the bill passed.

In the end Medicares passage was anything but a spontaneous societal embrace of one of the pillars of President Lyndon Johnsons " Great Society,"(Twight, 1994). Legislation StageAfter Medicare bill was formulated, the bill went through the debate phase in which refer to as the Legislation Stage. The definition for Legislative Stage ??? is the introduction of a bill in the House of Assembly by a member of the Assembly. The next stage is for the bill to be called for second reading.

Except by unanimous consent, second reading may not begin until the bill has been printed and distributed to the members and this has been signified on the order paper. The next stage is for the bill to be called for third reading. Unless the House of Assembly orders third reading to begin immediately, third reading takes place on a future day,??? (Legislation Process, 2006). Medicare debate was the largest ??" ever expansion of public health care. Medicare bill proposed an instructive model and the second largest bill to pass of that magnitude (Beam, 2009). The bill constituency as broad spectrum of public health that covered every facet of health coverage for the elderly and disable. ??? Advocate of Medicare was careful not to paint the plan as a stepping stone on the way to government-run health care??" but they formulated their plan in a way that could logically be expanded to cover everyone.

That meant picking a group that everyone agreed should be covered in full: senior citizens,??? (Beam, 2009). ??? Few politicians on either side wanted to come out against giving health insurance to elderly parents. And conservatives were uncomfortable differentiating between seniors who needed coverage and those who didnt. Medicares proponents thus designed a program that proved difficult to resist over time,??? (Beam, 2009). Another debate was that Medicare Bill set was not to worry so much about the consensus; Congress today thinks that bipartisanship necessary for sustainability. Republican voted for the Medicare bill because it was popular. ??? Medicare is one of the most popular government programs ever, with beneficiaries reporting more satisfaction overall than Americans with employer-based health care,??? (Beam, 2009). Finally, ??? Medicare was a boon for both health care providers and insurers.

It covered millions of formerly uninsured Americans, thus boosting the number of hospital visits, treatments, and tests,??? (Beam, 2009). ??? Along the way, Medicare contracted with private insurers to provide coverage, giving them more business. And as a way of securing doctors support, the original legislation essentially gave them a blank check to charge Medicare however much they wanted,??? (Beam, 2009).

Implementation StageThe finally stage that will be discussed in this paper is the implementation stage in which is ??? the expression of the decision stage, through such methods as policies, mechanisms and legislation. It is here that the decisions made by appropriate bodies come to life.

Unfortunately, implementation is a difficult task when having to deal with existing subcultures,??? (Sycamnias, 1999). ??? When first implemented in

1966, Medicare covered only most persons age 65 and over. By the end of 1966, 3. 7 million persons had received at least some health care services covered by Medicare. In 1973, other groups became eligible for Medicare benefits: persons who are entitled to Social Security or Railroad Retirement disability benefits for at least 24 months; persons with end-stage renal disease (ESRD) requiring continuing dialysis or kidney transplant; and certain otherwise non-covered aged persons who elect to buy into Medicare, by paying a premium for Medicare coverage.

The Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (Public Law 106-554) allowed persons with Amyotrophic Lateral Sclerosis (Lou Gehrigs Disease) to waive the 24-month waiting period,??? (Medicare, 2010).??? Medicare has traditionally consisted of two parts: Hospital Insurance (HI), also known as "Part A," and Supplementary Medical Insurance (SMI), also known as "Part B." "A newer, third part of Medicare, sometimes known as "Part C???, ??? is the Medicare Advantage (formerly Medicare Choice) program, which was established by the Balanced Budget Act (BBA) of 1997 (Public Law 105-33) and which expanded beneficiaries options for participation in private-sector health care plans,???(Medicare, 2010). ??? When Medicare began on July 1, 1966, there were 19.

1 million persons enrolled in the program. In 2003, over 41 million people were enrolled in one or both of Parts A and B of the Medicare program, and 5 million of them have chosen to participate in a Medicare Advantage plan,??? (Medicare, 2010). Conclusion??? Medicare was enacted to cover the elderly. Medicaid was enacted to cover low-income aged, blind, and disabled individuals, and parents and their dependent children on welfare. Seniors

were the population group most likely to be living in poverty; about half had insurance coverage,??? (SeniorHealth, 2009).

??? The huge difference between 1965 and now, of course, is costs. Back then, spending more on health care??" thereby covering more people??" was the whole point. Now the administration wants to expand coverage but cut spending. As a result, the Medicare model of shoving through an ambitious program with few major concessions may not work. Rather, Democrats may have to make some deep compromises, says Oberlander. For example, a new public plan could pay so-called Medicare Plus rates, or higher rates than Medicare, in order to put doctors and hospitals at ease. Democrats could include malpractice reform,??? (Beam, 2009).

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