

Medicare Turns 48! Check Out How The Healthcare Program Has Matured

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This year, in 2013, July 30th marks the 48th birthday of Medicare, America's government-supported national insurance program. Given the rising controversy over [potential Medicare budget cuts of up to \\$400 billion](#), [CPH Insurance](#) decided to take a closer look at exactly how this social program has developed over the past half a century.

Medicare was originally enacted as a part of the Social Security Act in 1965, under President Lyndon B. Johnson, for the purpose of guaranteeing Americans aged 65 and older access to health insurance without discrimination of the person's income or medical history. The legislation also extended to immigrants meeting the age criteria who had resided in America for five years or more.

Throughout its 48 year lifespan Medicare has undergone multiple changes and amendments, starting in 1972 when the program expanded to include coverage for additional medical services such as physical, speech, and chiropractic therapy. During this time eligibility for coverage was also extended to younger people with permanent disabilities, and specifically for those with end-stage renal disease.

These newly added groups were also deemed to receive [Social Security Disability Insurance payments](#), which supplements the income for people who are restricted from working due to physical limitations or impairments.

Then in 1984, catalyst by break-through advancements in modern medicine which had increased life expectancy, Congress amended Medicare to include coverage for hospice care. Thirteen years later in 1997, Part C, also known as Medicare plus Choice was added into the legislation which allows Medicare-approved, privately-owned companies to offer the program to its employees as health insurance. Changes in 2001 named younger people with ALS or Lou Gehrig's disease as eligible recipients of the program as well.

As of today Medicare is broken down in four parts, A-D:

Part A: Hospital care

Part B: Outpatient medical services

Part C: Allowance for approved private companies to offer Medicare to employees

Part D: Outlines a guide for outpatient prescription drugs through private plans or Medicare Advantage plans

All participants enrolled are offered defined benefits. Enrollees have two options for coverage: Traditional Medicare (76% of participants), which is a single person paying for their individual plan; OR Medicare Advantage (Part C, accounting for 24% of Medicare participants) which obligates the government to pay for private health coverage.

The Baby Boomer generation began retiring and qualifying for these social programs in 2010. With an uncalculated influx of population growth there is no question there needs to be further amendments, but with the program affecting so many people it's no surprise Congress is struggling with how to best navigate in the best interest of all involved parties.

What's your take on the Medicare debacle?