



CMA Weekly Alert – April

## **MEDICARE FOR THE AGES: ALL AGES**

Within days of each other in March of 2007, the following articles were released:

- “Benefits for Seniors Eating up Kids’ Share”<sup>1</sup>
- “Insuring Children May Squeeze Seniors”<sup>2</sup>

Which is it? Could it really be both? The real question is *why does either need to be true at all?*

The oft-perceived generation gap in public funding is a fallacy. It is an easy message to leverage politically, and the stories make for great copy, which is why this myth persists. If some group were interested in, for example, dismantling the traditional Medicare program, it would be very useful for them to promulgate the idea that there is no room for such a program for elders and those with disabilities if it takes away from the young people of our country. Intergenerational conflict generates excellent quotes. And a headline-grabbing message like that might be particularly useful at a time when trillions of dollars are being spent in other less-than-popular arenas.

Perhaps not coincidentally, the last time there was a big flurry of media activity focusing on the supposed generational rift was in the early 1990’s, during the Gulf War. *Time Magazine*, the *Washington Post* and *Newsday* all picked up the message. *The New York Times* ran an editorial entitled “Elderly, Affluent and Selfish”, among other articles. One article stated that “after subtracting military spending and interest, [Social Security and Medicare] would cost more than 4 of every 10 federal dollars.”<sup>3</sup>

“After subtracting military spending and interest” is a remarkable qualifier. That issue is where health care reformers should cast their lenses, not the supposed conflict between young and old. Social programs have for so long been put in a bubble together, that people have come to believe that their funding is somehow separate from the rest of the budget. We do not have to rob Peter to pay Paul. Rather, we need to have the political will to focus our resources on the health care issues in our country and embrace the obvious solution; an expanded Medicare program.

The United States pays more per capita for health care than any other first-world country, yet almost a fifth of our population goes uninsured. A disproportionate number of those uninsured are young adults. Right now approximately 33% of young adults lack health insurance, compared with about 16% overall.<sup>4</sup>

Before Medicare existed, only about 50% of people 65 or older had health insurance. By 1970, four years after Medicare went into effect, 97% of those 65 and older had health insurance. Access to health insurance coverage meant that more older people received needed medical

care... Access to health insurance also meant that Medicare beneficiaries and their families no longer had to bear the full cost of their care, helping to reduce poverty among older people and their families.<sup>5</sup> The inception of the Medicare program solved the dilemma of health care for a forgotten population 40 years ago. An expanded Medicare program holds that same promise for the latest generation left behind by private health insurers.

“Most people overlook the most affordable way to achieve universal coverage; putting all of us under the Medicare umbrella,” says Merton C. Bernstein, a founding member of the National Academy of Social Insurance and the Coles Professor of Law Emeritus at Washington University in St. Louis. “That single-payer system would reduce non-benefit spending by doctors, hospitals, clinics, laboratories and health care insurers by about \$300 billion a year, providing funds to insure everyone without additional outlays.

Other savings measures could supplement Medicare-for-All,” Bernstein says. “Only a single-payer plan enables savings on a scale sufficient to make universal coverage feasible. And as with Medicare today, patients would choose their own doctors — the choice most of us cherish and that private insurance often limits.”<sup>6</sup>

Despite repeated partisan attempts to minimize Medicare and give it away to private industry, the traditional Medicare program remains a reliable source of care for its beneficiaries. Rather than trusting the private sector that continues to leave people behind as it chases profits, it is time for all Americans who need and value health care to look to Medicare as their model. Medicare works because it is efficient, stable, guaranteed, and universally available. A health care program as established and reliable as Medicare should not be dismantled, but expanded. That expansion would unite all generations, rather than falsely divide them.

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<sup>1</sup> Richard Wolf, *USA Today*, March 14, 2007. [http://www.usatoday.com/news/washington/2007-03-14-kidsbudget\\_N.htm](http://www.usatoday.com/news/washington/2007-03-14-kidsbudget_N.htm)

<sup>2</sup> Ricardo Alonso-Zaldivar, *Los Angeles Times*, March 26, 2007.

<http://www.latimes.com/news/nationworld/nation/la-na-kids26mar26.1.5171932.story?coll=la-headlines-nation>

<sup>3</sup> Jason DeParle, *New York Times* “THE BUDGET BATTLE: Washington Talk; Modifying Medicare: No Dice Once Again”, October 12, 1990.

<http://query.nytimes.com/gst/fullpage.html?sec=health&res=9C0CE0D71031F931A25753C1A966958260>

<sup>4</sup> 18to35.org, <http://www.18to35.org/policy/fact-health.html>

<sup>5</sup> Marilyn Moon, *Medicare: A Policy Primer* (Urban Institute Press 2006).

<http://www.urban.org/publications/900957.html>

<sup>6</sup> “Medicare-for-All is the prescription for taming health care costs, says insurance expert”, Jessica Martin, *Washington University in St. Louis News & Information*, April 6, 2005. <http://news-info.wustl.edu/news/page/normal/4981.html>