EDITORIAL: PART I

The Meaning of Medicare
Douglas P. Olson, MD

Dr. Olson is a member of the Forum editorial board and can be reached at olsond@chc1.com.

President Harry S. Truman and his wife, Bess, received Medicare cards #1 and #2 in 1966. President Johnson gave them the first two cards to symbolize Truman’s 20-year fight to create a national health care system. Clearly, much has changed with Medicare over the years. While the elderly have continued to receive health care coverage, additional groups, such as dialysis patients, have been added. Rising health care costs coupled with an ever-increasing average life expectancy have made Medicare a more complex program to administer and finance than it was in the mid-1960s.

The Truman Presidential Library web page provides insight into the initial Medicare proposal:

Truman’s first proposal in 1945 provided physician [care] and hospital insurance for working-aged Americans and their families. A federal health board was to administer the program with the government retaining the right to fix fees for service, and doctors could choose whether or not to participate. This proposal was defeated after, among many factors, the American Medical Association labeled the president’s plan “socialized medicine...”

Even 60 years ago, just as today, Medicare policy was influenced by an amalgam of government reports, public opinion, special interest groups, physicians, and actual health care needs. Everyone knows that fixing Medicare—or more broadly reforming health care—is just plain hard, tedious, and frustrating.

Yet, despite the many different viewpoints and the intricacy of Medicare policy, there’s got to be some common ground. There must be common opinions that everyone shares about a program that touches almost all American’s lives, right? To figure that out, I did a very non-IRB approved, non-scientific survey of about 50 people I know and asked them the question, “What does Medicare mean to you?”. The survey sample included liberals and conservatives pretty much 1:1. When all the e-mail replies came in, yielding a response rate of roughly 60%, the respondents fell into five categories: 1) people not in the medical field, 2) internal medicine attending physicians, 3) specialist attending physicians, 4) current/recent (i.e. within three years) trainees, and 5) medical students.

The overwhelming, unifying theme shared by all was that Medicare is “comfort coverage for the elderly” or “subsidized coverage for the elderly.” The similarities ended there, so let’s look at each group individually.

The people not employed by the health care industry were remarkably similar in their opinions. They all mentioned that most recipients felt like they had "earned coverage" and "felt a sense of entitlement" to the coverage. They mentioned that senior citizens had "paid their dues" and "supported those who had come before them"; consequently, they could appreciate how senior citizens might feel deserving of government-funded health care when they retired. One called it an outright Ponzi scheme, noting that "it will fail if not enough people continue to buy into it" and that because everyone realizes this fact, no one wants to eliminate or cut Medicare. By doing so, they would affect their own future health care insurance. Interestingly, the people under age 50 all considered it “the health care insurance of last resort”; those over age 50 considered it “my [future] primary health insurance coverage.”

The internal medicine attending physicians all thought it was a “good program” but that it did not fairly reimburse generalists for the effort and time needed by patients. They noted that it is a good insurance policy to have when someone is an inpatient in terms of physician reimbursement, but it is not good in the outpatient setting, as “fewer and fewer primary care doctors accept it as insurance.”

As such, it has created an environment of restricted health care access for a vulnerable population, contributing to increases in costly emergency room visits and inpatient admissions. One person felt it was designed with the best interest of patients and physicians in mind but that it had not changed to appropriately reflect these best interests.

The specialists felt like it was professionally a good system for them—“psych hospitals won’t try to block this patient, and I won’t have to do an insurance pre-cert”—but that they are slow to adapt and “do not [incorporate] literature regarding up-to-date medical care.”

Current [recent] trainees were glad it "covered my residency training" and felt it was good in that it did not discriminate for pre-existing conditions. However, they all felt it was too heavily reliant on the fee-for-service model in the outpatient setting.

The medical students—who were notably all first-, second-, or third-year students—described it as socialized medicine that is defended by all politicians. In addition, they stated they knew it had different reimbursement rates for different specialties. One mentioned it would affect his specialty choice.

What these many different opinions confirm is that people see Medicare through their own lens and continued on page 2

SGIM FORUM 2011; 34(10)
that Medicare is a political and public health solution that continues to grapple with providing health care services for individual patients. Despite increased awareness of public health and economic principles, they are unlikely to play an increased role in medical decision making at the bedside of individual patients anytime soon.

However, if the Centers for Medicare and Medicaid Services fully embrace comparative effectiveness research and the guidelines from the National Institutes of Health and Clinical Excellence, Medicare could follow by providing primary and secondary health care services that are both clinically and cost effective. It’s not that easy, but at this point, containing costs and keeping outcomes on an even keel will probably satisfy a large number of politicians, interests groups, physicians, and patients. Because most insurance companies consider Medicare’s policies when designing their own plans, the potential for Medicare to influence health care reform has never been greater.

Medicare is a shining example of health care being a right and not a privilege. It is also ”medical security for the elderly.” No one wants to put that in jeopardy.

So...what does Medicare mean to you?

References