

# Medicare and Medicaid at 50

On July 30, 1965, President Lyndon Johnson signed into law the Social Security Amendments of 1965 (P.L. 89-97), which established the Medicare and Medicaid programs. Former President Harry Truman, who had started the push for a national program of health insurance for the elderly and the poor in the 1940s, attended the signing ceremony and was the first official Medicare enrollee. Coverage started in 1966.

Initially there were just two parts to Medicare — Part A covered inpatient hospital services for the elderly and disabled. Part B covered doctor visits. In 1997, Medicare Part C was added, giving Medicare beneficiaries the option to get coverage through private insurance plans. In 2006, Medicare Part D an optional prescription drug benefit, became effective.

In 1966, Medicaid covered only very low-income children, the elderly, and the permanently and totally disabled. Over the years, Congress expanded coverage to include families at higher incomes and individuals with less severe disabilities. As of 2014, states may cover anyone with income up to 133 percent of the federal poverty level.

In 2015, Medicare accounts for about 20 percent and Medicaid accounts for about 15 percent of all U.S. health care spending.



## SOME MEDICARE FACTS

- More than 19 million people enrolled in Medicare in its first year; in 2015, 52 million people enrolled.
- Medicare spending accounted for about 0.5 percent of gross domestic product in 1969 and in 2015 it accounts for about 3 percent of GDP.
- In 1966, the monthly Part B premium was \$3.00 for all beneficiaries, regardless of income. Starting in 2007, the Part B premium has been set on a sliding scale based on income, which in 2015 ranges from \$104.90 per month for people with incomes under \$85,000 to \$335.70 per month for people with incomes over \$214,000.
- Starting in 1966, hospitals had to desegregate if they wanted to receive Medicare funding.
- Access to health care increased by 1/3 in the first year, while poverty among older and disabled Americans decreased by nearly 2/3.

## SOME MEDICAID FACTS

- Medicaid is jointly funded by the federal government and each state government. The federal government pays at least 50 percent of the cost of Medicaid in every state.
- Although states have some flexibility in what services and what types of services are covered by Medicaid, federal law and regulations makes some coverage of some services and groups mandatory if a state is to receive federal Medicaid funding.
- Arizona was the last state to join Medicaid, in January 1982.
- In 1966, 4 million people were enrolled in Medicaid; in 2015, 71 million people get health coverage through Medicaid.
- In 1966, the federal government spent less than \$1 billion on Medicaid, averaging less than \$200 per beneficiary. In federal fiscal year 2014, it spent more than \$475 billion, or about \$6,700 per beneficiary.

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## MEDICARE AND MEDICAID GUIDE

For several years all the relevant content for the **Medicare and Medicaid Guide** was contained in one print volume. But the content related to the Medicare and Medicaid programs grew over time and currently the print version of the Guide takes up six volumes. The Guide has become a leading resource covering reimbursement for health care services and compliance. Its easy-to-use format provides the primary source information you need, and the expert guidance for using that knowledge to your best advantage.

The [print version](#) of the **Medicare and Medicaid Guide** includes —

- Two volumes of Explanatory material written by experienced legal editors
- One volume containing all Social Security Act sections that provide statutory language for Medicare and Medicaid, including extensive amendment notes and legislative history (over 2000 pages total)
- Two volumes containing all relevant federal regulations implementing the two program, along with extensive history notes (over 5,000 pages total)
- One volume of current developments, recent primary source material including cases, administrative decisions, and guidance from CMS, the federal agency that administers the Medicare and Medicaid programs

The [online version](#) of the **Medicare and Medicaid Guide** includes all of this information plus 50 years of primary source material, including —

- The full text of over 50 laws that have amended the Medicare and Medicaid programs since 1966
- Over 9,300 federal and state cases, including almost 100 U.S. Supreme Court decisions
- Over 8,000 administrative decisions
- Over 7,000 notices, proposed rules, and final rules as published in the Federal Register
- Almost 6,000 reports, letters, administrative guidance documents, and other primary source material from various federal agencies
- Almost 10,000 transmittals and program memoranda providing nitty-gritty details on the implementation of changes to the Medicare program
- The full text of all online only and paper editions of the Manuals that CMS publishes with detailed guidelines for Medicare
- Several Smart Charts, which allow customers to research and make customized spreadsheets of essential Medicare and Medicaid related information
- Almost 20 years of the weekly report letter providing Medicare and Medicaid news, with links to primary source documents

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For the entire history of the Medicare and Medicaid program, WK editors have been helping customers keep on top of the news, as well as providing a robust database of primary source documents to help with any research project.