



"When you take a new call...there's  always a



moment needed to

JULY 1995
Oasis

orient yourself  to

what 

this caller 

is 

asking...and 

to

mentally disconnect from

your previous 

call."

A look back

Medicare program celebrates 30th anniversary

On July 30, 1965, Medicare was born as President Lyndon Johnson signed H.R. 6675 into law. The bill provided the most far-reaching amendments to the Social Security Act since its enactment almost 30 years before.

The new amendments allowed for important improvements to the already established OASDI program in medical assistance to the needy. But, most importantly, the law established two coordinated health insurance programs for persons aged 65 or over—
• a “basic” plan providing protection against the costs of hospital and related care, financed through a separate earnings tax and trust fund; and

• a voluntary “supplementary” plan providing physicians’ and other medical and health services, financed through monthly premiums paid by individual participants and matching contributions from federal general revenues.

Some provisions went into effect immediately, but, in the case of what would be called “Medicare” health insurance, the implementation date was July 1, 1966.

Before that date, almost 19 million persons aged 65 and over would be issued identification cards and instructional material. And, because the supplementary plan was voluntary, all were asked if they desired coverage.

Most were already on the Social Security or Railroad Retirement benefit rolls.

Throughout SSA, wheels were set in motion to ensure that the hospital insurance and supplementary medical insurance plans were implemented as speedily and efficiently as possible. As a first step, the agency established a central electronic data processing record a% headquarters.

More than a million people who were eligible for OASI benefits but were still working, or were dependents whose spouses were still working would need to sign up. Two million who did not meet the insured status requirements for cash benefits would need to establish their eligibility

Efforts to reach seniors who might be eligible for health insurance benefits were made in cooperation with state and municipal retirement systems, senior citizens’ groups and other sources.

One of the greatest challenges in systems design was to produce an operational flow that could easily and quickly be set in motion when sickness might strike and a Medicare patient would require hospitalization. Each step in this flow was discussed with representatives of insurance companies, hospitals and outside organizations with experience in health planning and administration.

Plans were developed to establish the procedure for payment of physicians’ bills under the supplementary plan. Here, as in the hospital insurance plan, administrative agents would be used.

These agents were responsible for reviewing and paying bills, consulting records, preparing notices for both the beneficiary and doctor, maintaining records of deductibles and preparing records necessary for statistical purposes.

Reorganization at SSA included the creation of the Bureau of Health Insurance. During fiscal year 1966, the total SSA workforce grew from 35,987 to 44,774. Most personnel increases were in the field.

More than 700 field offices across the country were staffed with trained people ready to provide necessary services, respond to inquiries and maintain our public information program at the grassroots level.

Shortly before implementation, a Medicare handbook was designed and mailed to beneficiaries to help answer questions and enable them to complete the claims process form.

Secretary of HEW John Gardner predicted that “future historians will look back and say that 1965 was a year of decisive action for the health of the American people.” ♦

Happy birthday!



On August 14, Social Security will observe a milestone anniversary. Sixty years ago this day, President Franklin Delano Roosevelt signed the historic legislation that created the Social Security program. He is said to have considered it the most important domestic accomplishment of his presidency.

SSA will mark the program's anniversary with several commemorative events.

Our field offices across the nation are encouraged to hold individual celebrations to mark the occasion. OASIS wants to recognize these employee anniversary activities in the Fall issue. We invite readers to tell us how you plan to celebrate the event. Or, if you prefer, write to us as soon as possible afterward and tell us what you did.

And don't forget to send pictures! ♦

S O C I A L S E C U R I T Y

60th

A N N I V E R S A R Y

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