

Medicare's First Year

One year ago this month—on July 1, 1966—a major gap in the economic security of older Americans was closed. On that date, 18.9 million people in the United States aged 65 or over were enrolled for hospital insurance benefits under the new program of health insurance for the aged and 17.6 million voluntarily enrolled for supplementary medical insurance benefits. I would like to mark the first anniversary of operation of the program by briefly considering what it has already achieved in enhancing human values.

A year admittedly is a brief period on which to base an appraisal of the impact of a program of such magnitude. Yet, even in this short span, experience suggests some clear gains.

First and foremost, the program has provided the financial means to help older persons pay a major portion of their large bills for hospital and medical care. Those who incurred heavy medical expenses escaped some of the severe financial strains that so often plagued the aged in the past, depleted their savings, and required them to seek help from relatives or to demonstrate need to a public agency. Knowing that the protection is there when needed has added to the quality of life by alleviating the fear so many felt when contemplating the financial consequences of serious illness. Many who might have received care on a charity basis in the absence of the program have received it as insured patients with the dignity that goes with the ability to pay.

A second major accomplishment is the availability to the elderly of a wider variety of health services, again on an insured basis. Previously, insurance covering hospital outpatient services, extended-care services, home health services, and physicians' home and office visits could rarely be purchased by the aged. Insuring alternatives to inpatient hospital care clearly has a beneficial effect on the use of institutional facilities because it permits consideration of different levels of care with less concern for the financial cost to the patient. And since it enables the physician to select from a wider variety of services in prescribing care, it will tend to make medical care more responsive to the actual needs of the patient.

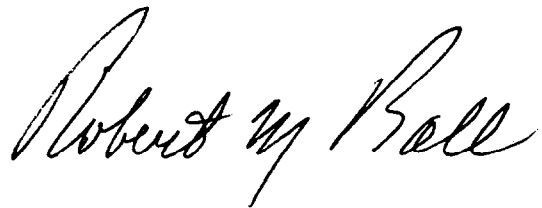
The program has already produced improvements in the quality of care in hospitals and re-

lated facilities through the upgrading of their physical plant, personnel, and services in order to meet the conditions for participation—a third significant accomplishment. In addition, because semiprivate accommodations are paid for by the program, and physicians' services for many of the elderly are more fully covered than in the past, many more now receive hospital care as private patients.

Fourth, the health insurance program has already provided needed hospital and medical care to many aged persons who might otherwise have postponed seeking medical care. More older people are getting care in hospitals—care some would otherwise not have received—and the quality of their lives, to the extent that their health problems have been taken care of, is better because of this program. For many, early treatment of illness and disease may mean postponement of disability and extended illness and a more useful and productive life.

The health insurance program for the aged has already succeeded in breaking down past racial barriers by requiring that participating hospitals and related health facilities be made available to all patients, as a basis of equality, regardless of race. In many communities, because of this program, minority group members for the first time have access to the best care available.

To conclude these brief observations on the first anniversary of health insurance under social security, we should not overlook the new patterns of cooperation and coordination that have been developed between various Federal departments and agencies, between Federal, State, and local government agencies, and between the public and private sectors. The various participants in this vast program with its complex relationships have performed their parts in a spirit of cooperation and understanding.



Commissioner of Social Security