WHY IS MEDICARE IMPORTANT?

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Because of what it means to real people

Because of what it means to our health care system

Because of what it costs

Because of what it says ABOUT us
At BIRTH: US ranks 39\textsuperscript{th}, at 78.6
  - Japan #1, at 82.7

At 65: US ranks 37\textsuperscript{th}, at 19.1
  - Japan #1, at 20.2

Our elderly gain 3 years in Life Expectancy on the world
The Nation’s Health Dollar ($2.9 Trillion), Calendar Year 2013: Where It Came From

- Health Insurance 72%
- Medicare 20%
- Private Health Insurance 33%
- Medicaid (Title XIX) Federal 9%
- Medicaid (Title XIX) State and Local 7%
- VA, DOD, and CHIP (Title XIX and Title XXI) 4%
- Out of Pocket 12%
- Other Third Party Payers and Programs 8%
- Investment 6%
- Government Public Health Activities 3%

1 Includes worksite health care, other private revenues, Indian Health Service, workers’ compensation, general assistance, maternal and child health, vocational rehabilitation, Substance Abuse and Mental Health Services Administration, school health, and other federal and state local programs.

2 Includes co-payments, deductibles, and any amounts not covered by health insurance.

Note: Sum of pieces may not equal 100% due to rounding.

CMS Innovations Portfolio: Testing New Models to Improve Quality

Accountable Care Organizations (ACOs)
- Medicare Shared Savings Program (Center for Medicare)
- Pioneer ACO Model
- Advance Payment ACO Model
- Comprehensive ERSD Care Initiative

Primary Care Transformation
- Comprehensive Primary Care Initiative (CPC)
- Multi-Payer Advanced Primary Care Practice (MAPCP) Demonstration
- Federally Qualified Health Center (FQHC) Advanced Primary Care Practice Demonstration
- Independence at Home Demonstration
- Graduate Nurse Education Demonstration

Bundled Payment for Care Improvement
- Model 1: Retrospective Acute Care
- Model 2: Retrospective Acute Care Episode & Post Acute
- Model 3: Retrospective Post Acute Care
- Model 4: Prospective Acute Care

Capacity to Spread Innovation
- Partnership for Patients
- Community-Based Care Transitions
- Million Hearts

Health Care Innovation Awards

State Innovation Models Initiative
Initiatives Focused on the Medicaid Population
- Medicaid Emergency Psychiatric Demonstration
- Medicaid Incentives for Prevention of Chronic Diseases
- Strong Start Initiative

Medicare-Medicaid Enrollees
- Financial Alignment Initiative
- Initiative to Reduce Avoidable Hospitalizations of Nursing Facility Residents
Alternative Delivery and Payment Models—Private Sector Initiatives

*The map is current as of February 2013. As new programs are identified, the map will be updated accordingly.*
Federal Spending on the Major Health Care Programs, by Category

Percentage of Gross Domestic Product

Source: Congressional Budget Office.
Summary Figure 1.

Federal Debt Held by the Public

Percentage of Gross Domestic Product

Source: Congressional Budget Office.
Figure 3-2.
Projected Outlays in Major Budget Categories

Percentage of Gross Domestic Product

- Major Health Care Programs: 6.2%
- Social Security: 5.7%
- Net Interest: 3.0%
- Other Mandatory: 2.3%
- Defense Discretionary
- Nondefense Discretionary

Source: Congressional Budget Office.

Note: Major health care programs consist of Medicare, Medicaid, the Children’s Health Insurance Program, and subsidies for health insurance purchased through exchanges and related spending. (Medicare spending is net of offsetting receipts.) Other mandatory spending is all mandatory spending other than that for major health care programs and Social Security.
Taxes as a Share of Gross Domestic Product, 2008

Denmark  
Sweden  
Belgium  
Italy  
France  
Finland  
Austria  
Norway  
Hungary  
Netherlands  
Slovenia  
Germany  
Iceland  
Czech Republic  
United Kingdom  
Luxembourg  
Portugal  
OECD-Total  
Poland  
Israel  
New Zealand  
Spain  
Greece  
Canada  
Slovak Republic  
Switzerland  
Ireland  
Japan  
Australia  
Korea  
United States  
Turkey  
Chile  
Mexico

OECD = 36.2%  
U.S. = 27.3%

Source: OECD Tax Statistics, 2010
Revolt against SOCIALISM
Socialism is government ownership and control of the means of production, and (it usually also entails) control of the political system so there can be no (easy) return to private property and economic freedom.

Social insurance is a system wherein all pay in and all are supported in times of serious need – for economic or health reasons – according to rules agreed upon and set by elected representatives.

SOCIAL INSURANCE IS NOT SOCIALISM!
We’ve been having this debate a very long time…