

# Lowering the Age of Medicare Eligibility

Lowering the eligibility age by just a few years to age 62 or to as low as age 50 is a potential way to improve coverage for older adults, who may lose employer-sponsored insurance (ESI) upon retirement or job loss.

While lowering the eligibility age to 62 would have a relatively small incremental impact, reducing the age to 50 would almost double the number of Americans eligible for Medicare coverage.

## Newly Medicare Eligible Population

The current Medicare program:



**60 million Beneficiaries**

**62: 10.1 million** additional eligible beneficiaries

**55: 37.4 million** additional eligible beneficiaries

**50: 57.3 million** additional eligible beneficiaries

## Potential Impacts of Lowering the Age of Eligibility

Policy Goal	Potential Impact
<b>Expand coverage</b>	Decrease U.S. uninsurance rate by 3 percent (670,000 individuals), to 19 percent (4.6 million individuals) depending on new eligibility age (62, 55, or 50). The uninsured share may increase among young adults if premiums increase in the individual market.
<b>Improve access</b>	Increase the comprehensiveness of coverage available to many new beneficiaries. Reduce financial barriers to access to care for individuals previously enrolled in private plans, without or with limited cost-sharing assistance.
<b>Increase affordability</b>	Potentially reduce out-of-pocket burden for some new beneficiaries. May modestly reduce the affordability of coverage in the individual insurance markets. Generate savings to employers and state Medicaid programs.
<b>Contain costs</b>	More likely to improve overall U.S. health cost containment as more individuals are covered by Medicare and a greater share of providers receive Medicare rates. Shift responsibility for financing coverage to federal government, increasing costs to the Hospital Insurance Trust Fund and the federal budget.
<b>Improve equity</b>	Reduce racial and ethnic disparities in the new enrollee population.