

WHY IS MEDICARE IMPORTANT?

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Washington, DC

July 23, 2015

- ▶ 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

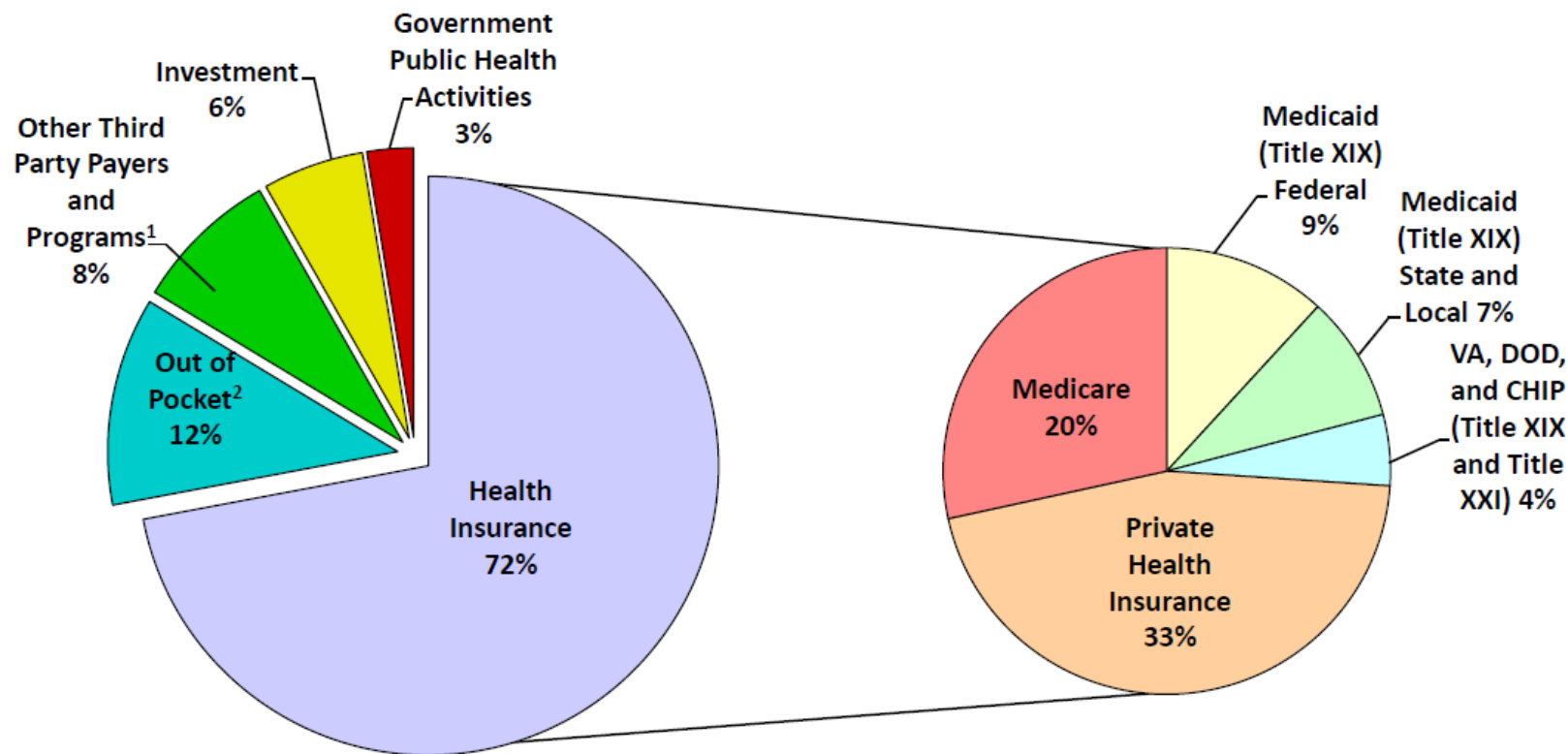




- ▶ At BIRTH: US ranks 39th, at 78.6
 - ▶ Japan #1, at 82.7
- ▶ At 65: US ranks 37th, at 19.1
 - ▶ Japan #1, at 20.2
- ▶ Our elderly gain 3 years in Life Expectancy on the world

LIFE EXPECTANCY

The Nation's Health Dollar (\$2.9 Trillion), Calendar Year 2013: Where It Came From



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.

SOURCE: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group.

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

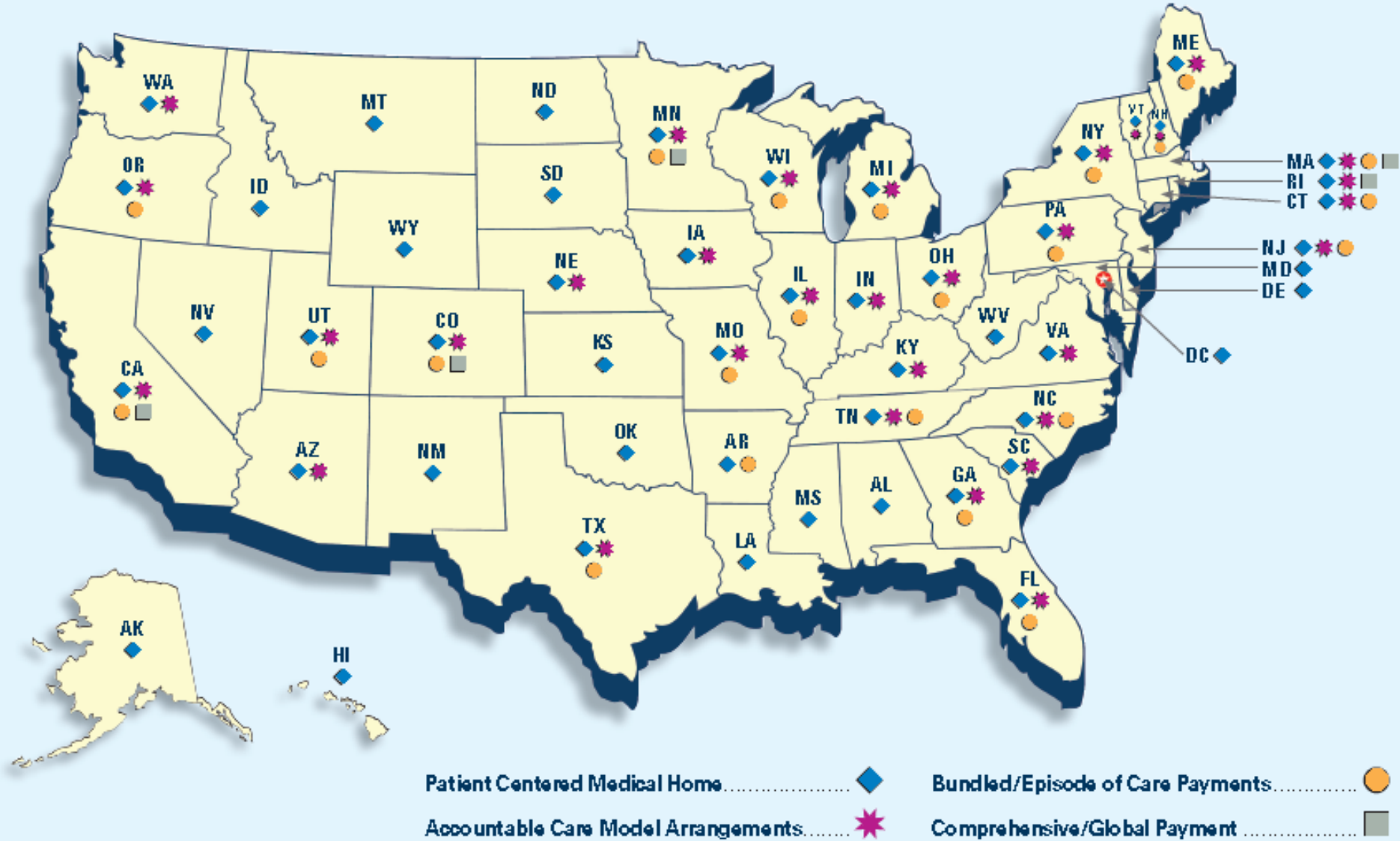
Initiatives Focused on the Medicaid Population

- 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

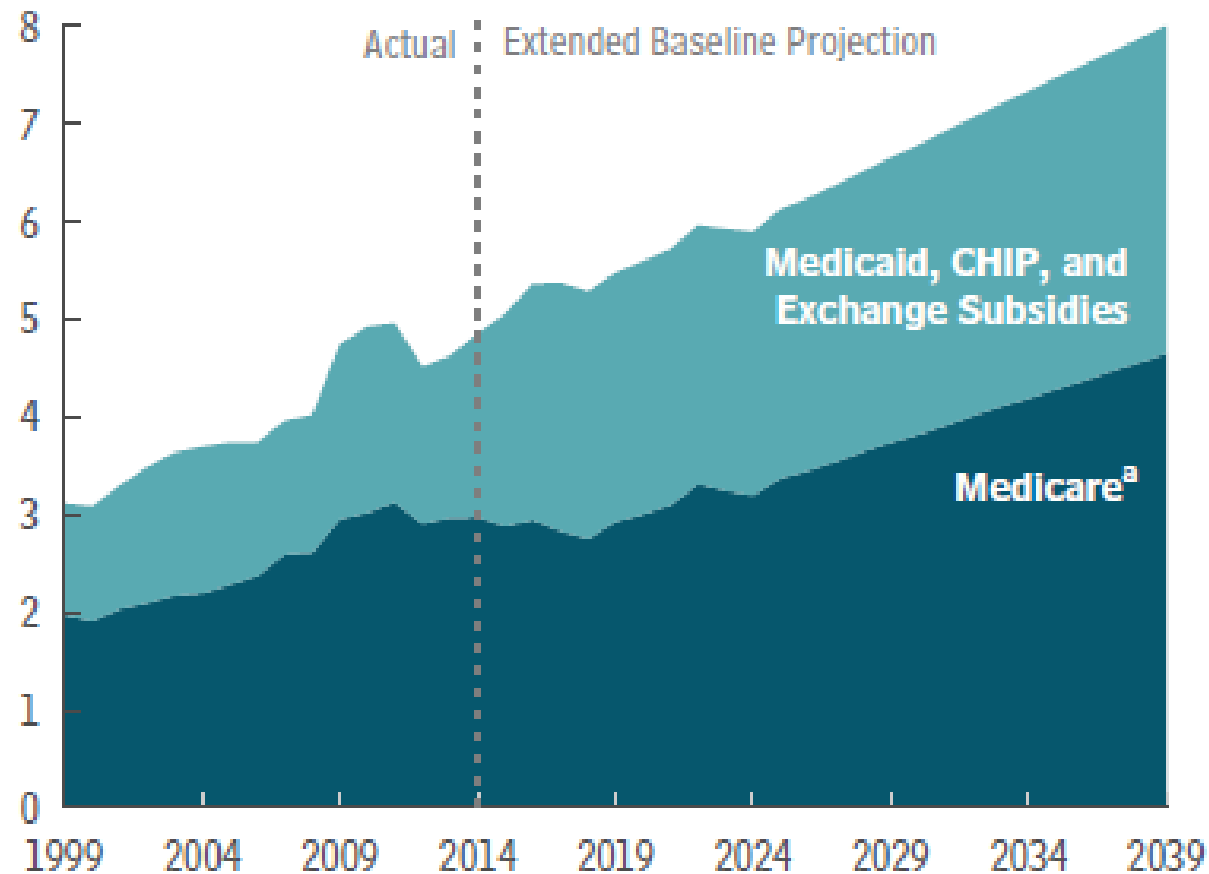


NOTE: Icons may represent multiple partnerships within the state

Figure 2-2.

Federal Spending on the Major Health Care Programs, by Category

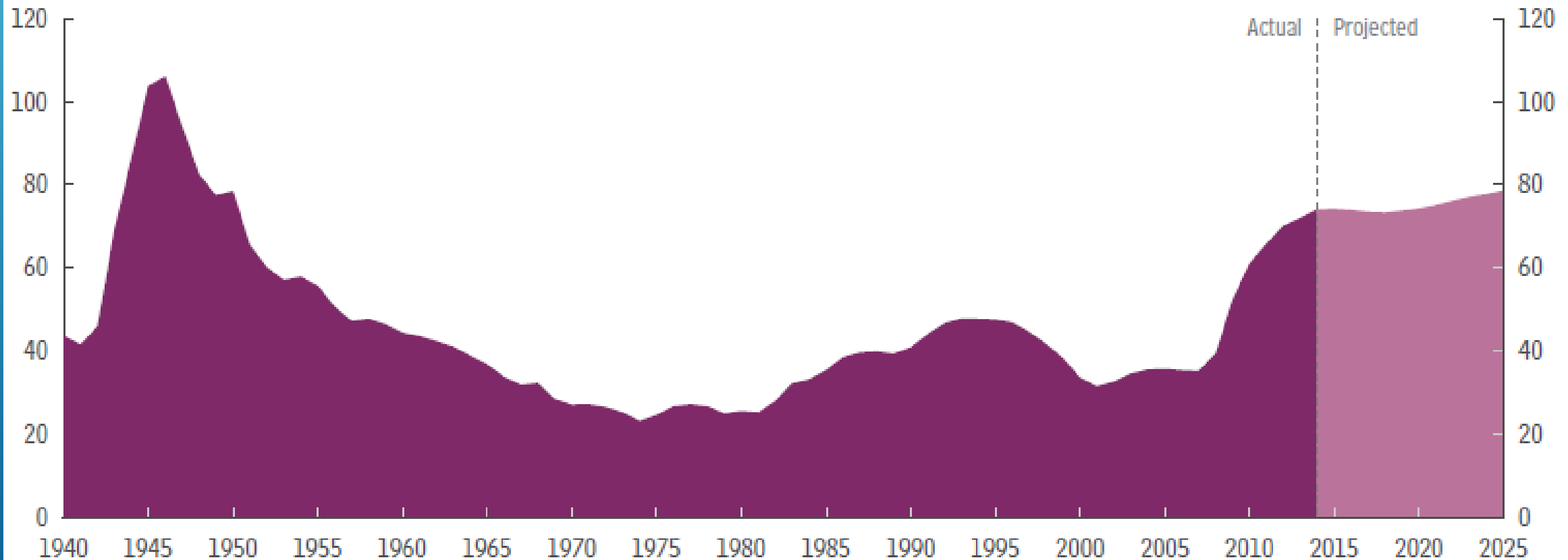
Percentage of Gross Domestic Product



Source: Congressional Budget Office.

Summary Figure 1.**Federal Debt Held by the Public**

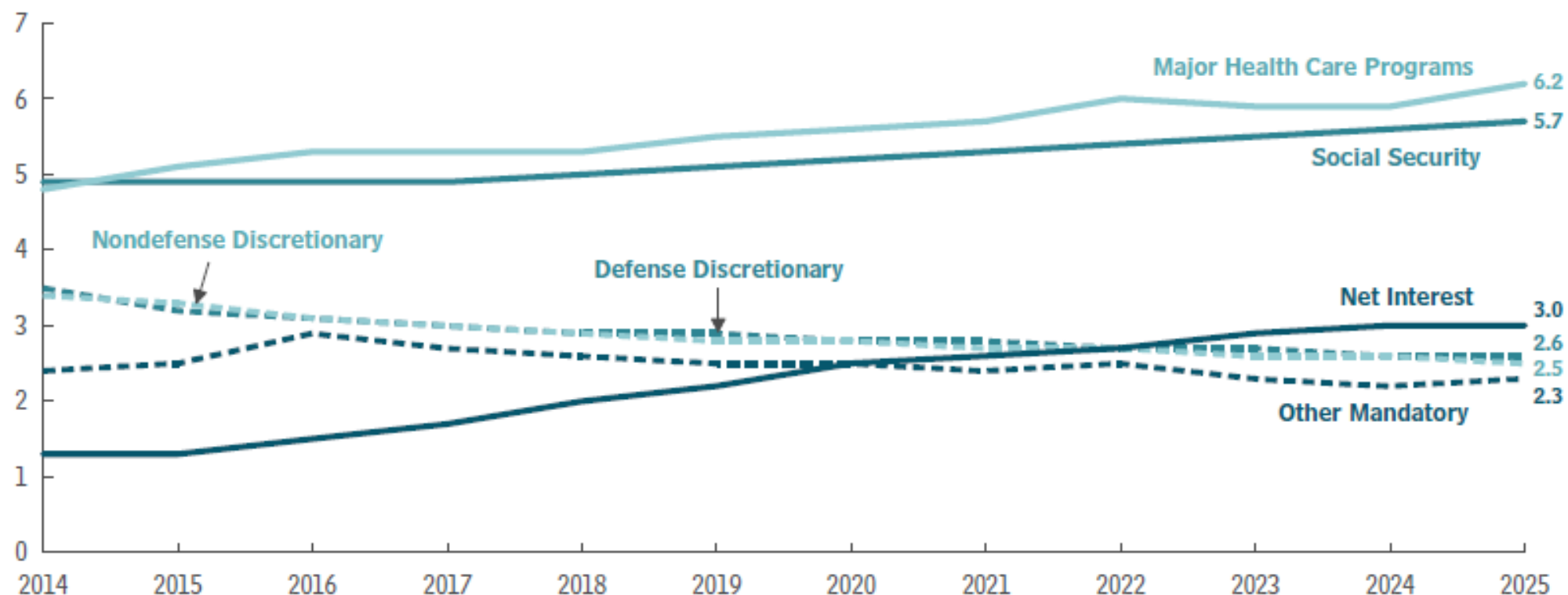
Percentage of Gross Domestic Product



Source: Congressional Budget Office.

Figure 3-2.**Projected Outlays in Major Budget Categories**

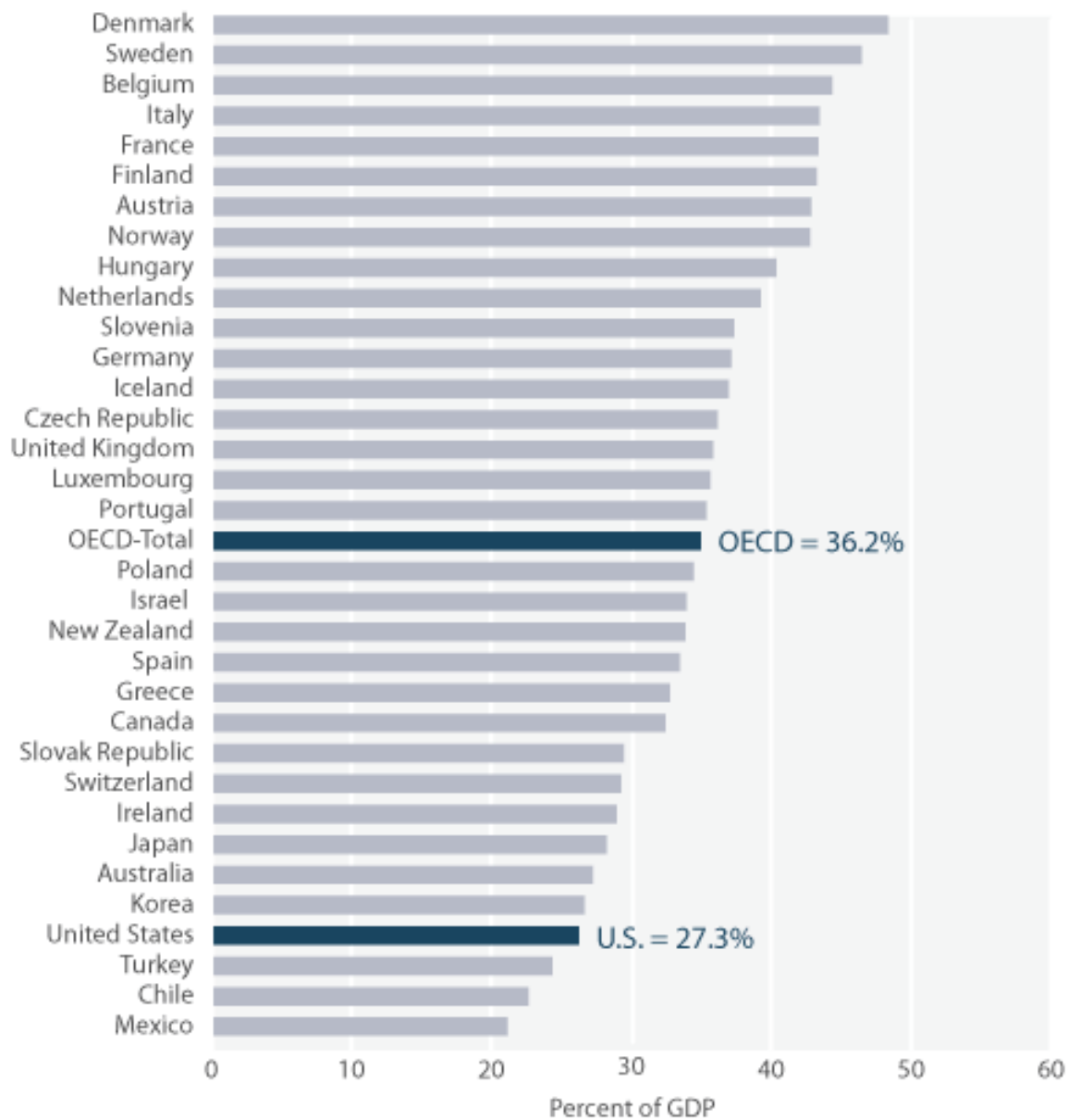
Percentage of Gross Domestic Product



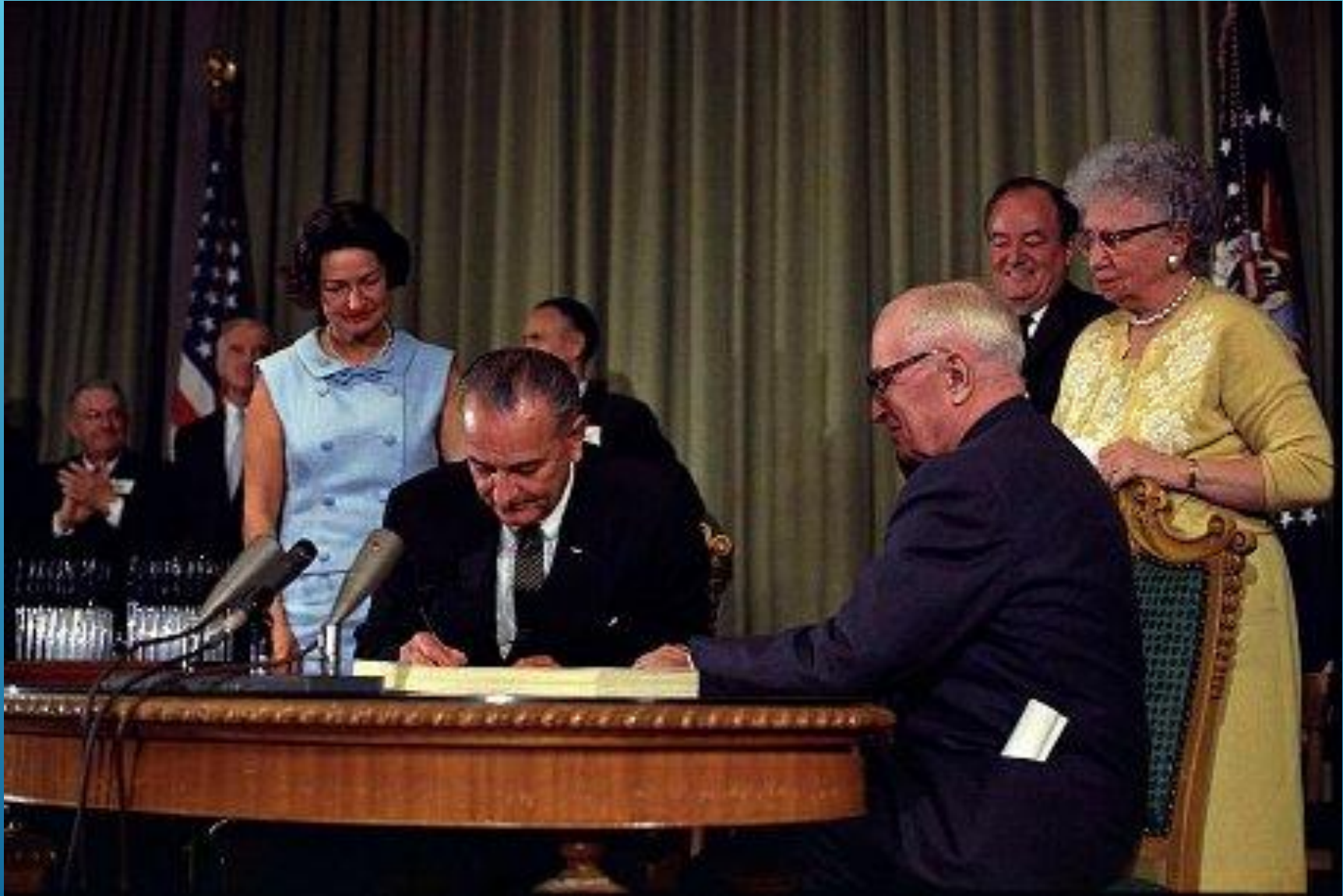
Source: Congressional Budget Office.

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



Source: OECD Tax Statistics, 2010





- ▶ 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...



Ron Chernow



Jon Meachem