

Public Policy M 267/Health Services M 252

# MEDICARE REFORM

UCLA School of Public Policy and Social Research

Spring 2007

Monday 2:00 – 4:50 p.m.

4320B Public Policy Building

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Office Hours: To be scheduled.

## Description of the Seminar

Medicare, the national health insurance program for about 40 million elderly and disabled beneficiaries, is the second largest government-financed health insurance program in the world and, along with Social Security, one of the two most popular federal domestic programs in the United States. Not long ago the program faced both short-term and long-term financial pressures. The immediate perceived crisis was the late-1980s projected depletion of the trust fund for Part A hospital coverage in 2002. The major threat in later years was—and remains—the anticipated impact of the enormous 77 million member “baby-boom” generation, which begins to reach retirement age starting in 2011.

A combination of a strong economy during the 1990s and policy changes averted the immediate concern. What had been the longest economic expansion in the nation’s history helped infuse more revenues into the trust fund, while the Balanced Budget Act of 1997 included provisions that led to reduced aggregate Medicare spending. Rather than 2002 or even 2008, in a later projection using intermediate assumptions the Medicare Trustees’, in their 2003 report,

estimated a trust fund deficit starting in 2026.

More “reform,” however, is clearly required to sustain the program substantively and politically in the future. In accordance with the BBA of 1997, President Clinton and the leaders of Congress named seventeen individuals to the National Bipartisan Commission on the Future of Medicare with the mandate to develop a bipartisan reform plan. The only option seriously considered by the Commission—a dramatic “premium-support” approach predicated on managed competition among private health plans—failed to secure the support of the Clinton White House or, just barely, the 11 votes required to become the official recommendation of the Commission. Opponents of this plan had their own approaches for protecting the fiscal and political integrity of the program.

In December 2003, Congress enacted the Medicare Prescription Drug, Improvement, and Modernization Act—the Republican plan for adding prescription drug coverage for Medicare beneficiaries and introducing a variety of other programmatic features long

supported by conservatives (including health savings accounts and demonstrations of including fee-for-service Medicare in direct price competition with private plans). Any reading of the ongoing media coverage reveals the controversial nature of the law's provisions as the Centers for Medicare and Medicaid Services (CMS) worked through the implementation process and seniors signed up for drug plans. The weaker economy and the new drug benefit have also worsened once again projections of Medicare expenditures relative to revenues, and the Medicare Trustees estimated in their most recent report—May 1, 2006—that the Part A trust fund will be depleted in 2018. Although the Bush administration and the Republican Congress prior to the 2006 elections shifted attention to Social Security, the future viability of Medicare is far more worrisome and the central challenge of domestic policy the President, the now Democratic Congress, and the presidential contenders for 2008.

In addition, in many other respects the existing Medicare program does not provide sufficient coverage for the medical services available and necessary forty years after the program was enacted.

**Our objective this quarter is to evaluate options for reforming Medicare**

**to ensure its suitability and viability for the baby-boom generation and beyond.**

To give our work on this subject specific grounding in Medicare and health insurance reform issues, we will explore a number of vital factors that set the foundation for formulating and evaluating proposals for the long-term reform of Medicare. They include the international standard for health insurance systems and the “emerging paradigm,” the politics and understood meaning of Medicare at its origins; the specific demographic and technological challenges facing Medicare in the next century; how to think about the economics of health care financing; major features in the transformation of the overall health care system since Medicare's enactment; the politics of health care and Medicare policy making at the national level in the United States; the nature of previous Medicare reforms; an introduction to a number of specific policy options—some proposed as part of more comprehensive health reform and some already implemented in Medicare—such as promoting managed care, regulating competition among private plans, shifting from defined benefits to defined contributions; and information about the current Medicare “status quo” following the enactment of the 2003 Medicare law.

### **Suggested Books for Purchase**

The books listed below are **required reading** and are available for purchase at the **LuValle Bookstore**. They are identified with an "\*" on the schedule of reading assignments.

Hammer, Peter J., Deborah Haas-Wilson, Mark A. Peterson, and William M. Sage, eds., *Uncertain Times: Kenneth Arrow and the Changing Economics of Health Care*. Duke University Press, 2003.

ISBN: 0-8223-3248-5 (Paperback)

Kotlikoff, Laurence J., and Scott Burns. *The Coming Generational Storm: What You Need to Know about America's Economic Future*. MIT Press, 2005.

ISBN: 1-930865-92-9 (Paperback)

Moon, Marilyn. *Medicare: A Policy Primer*. Urban Institute, 2006.

ISBN: 0-87766-753-5 (Paperback)

Oberlander, Jonathan. *The Political Life of Medicare*. University of Chicago Press, 2003.  
ISBN: 0-226-61596-0 (Paperback)

Weissert, Carol S., and William G. Weissert. *Governing Health: The Politics of Health Policy*, 3<sup>rd</sup> Edition. Baltimore: Johns Hopkins University Press, 2006.  
ISBN: 978-0-8018-8432-0 (Paperback)

**Recommended** (not on sale at LuValle):

Marmor, Theodore R. *The Politics of Medicare*, 2<sup>nd</sup> Ed. New York: Aldine, 1999.

### Custom Course Reader

The **required** articles, documents, and chapters not in the books listed for purchase can be obtained in a customized two-volume course reader available at **Course Reader Material**, 1141 Westwood Boulevard (between Kinross and Lindbrook, 1½ blocks north of Wilshire; open 9-6 Monday-Friday, 10-5 Saturday; phone: 443-3303). Readings from the course reader are identified with a “©” on the schedule of reading assignments.

### Readings Also on Reserve

Within the constraints of library resources, **the book-based reading assignments for the course are also available at the graduate reserve desk in the C. E. Young Research Library**. For the assigned articles, access to the *Annals of Internal Medicine*, *Health Affairs*, and *Journal of Health Politics, Policy and Law* is available at the Louise M. Darling Biomedical Library in the Center for Health Sciences (*JHPPL* is also in the Hugh & Hazel Darling Law Library). In addition, all of the assigned *JHPPL* articles are available electronically through Duke University Press (<http://jhpl.dukejournals.org/>); some of the *Health Affairs* articles may be electronically available at <http://www.healthaffairs.org/>; and the sole article from the *Annals of Internal Medicine* is available at [http://www.annals.org/content/vol139/issue5\\_Part\\_2/index.shtml](http://www.annals.org/content/vol139/issue5_Part_2/index.shtml). Although it would be far less convenient, it is thus possible to complete almost all the reading assignments without purchasing the books or course reader.

### Course Assignments, Requirements, and Grading Policy

The grade each student receives for the course will be an aggregation of the following:

- **Oral Participation (15%):** Given the importance of full and effective oral participation in a seminar—and even more so in the world of policy making—part of the course grade will be based on each student’s individual participation. “Participation” includes such things as demonstrating preparation, offering valuable insights, speaking clearly about complex subjects, synthesizing relevant information, answering questions effectively, posing relevant questions, as well as actively *listening* to other members of the class.
- **Policy Problem Memo (15%), Due April 23<sup>rd</sup>, beginning of class:** Based on a close reading of the assignments for the week of April 23<sup>rd</sup>, each student will submit a 5-7 page, word-processed, double-spaced paper written as a memorandum to the Administrator of the Centers for Medicare and Medicaid Services (CMS) providing an assessment of the major challenges confronting the Medicare program over the next couple of decades. The memo should concisely identify the major problems the program will encounter in the absence of policy change, the magnitude of those problems and their specific effects, the level of confidence the

administrator should have in the estimates, and possible sources of variation in the estimates. *This paper is not to consider possible solutions.*

- **Washington Post Op-Ed (15%), Due May 7<sup>th</sup>, beginning of class:** Choosing among any of the issues covered in the readings for the week of May 7<sup>th</sup> (any feature of the health care system that has been in transition since the mid-1960s), each student will submit an op-ed page essay suitable for publication in *The Washington Post* (a forum read by opinion leaders and policy makers) of no more than 900 words (word-processed, double-spaced) that makes an evidence-based argument about the implications of that issue for the future of Medicare.
- **Prepared and Delivered Testimony on Medicare Reform (55%), Written Part of Assignment Due by 10:00a.m., June [date to be determined], at my office:** Each student in the class will be both (1) a representative of an organization, think tank, or academic center who prepares and delivers congressional testimony in support of a Medicare reform initiative he or she has developed and (2) a member of the Committee on Finance in the United States Senate (the Senate committee with jurisdiction over Medicare issues) to which the testimony is given. The written testimony will be an 8-10 page word-processed, double-spaced document that describes the proposed reform and offers cogent, rigorous analytical support of it. Oral testimony to the committee will include providing a brief overview of the proposal and answering questions posed by the Finance Committee members. As members of the Committee, each student will take on the persona of a particular senator and formulate questions consistent with that senator's political and policy orientation. A separate handout will furnish more details about the assignment.

## Resources

There are a number of research resources that are of potential use for gaining more detailed analytical background on the issues students may be considering for their proposed reform and written testimony. I offer below a limited set of primary examples, many available through the Internet, sometimes including with full text:

### Journals

*New England Journal of Medicine*  
*JAMA (Journal of the American Medical Association)*  
*Health Affairs*  
*Journal of Health Politics, Policy and Law*  
*The Milbank Quarterly*  
*Inquiry*  
*Health Services Research*  
*Medical Care*  
*Medical Care Research and Review*  
*Health Care Financing Review*  
*Journal of Health Economics*

(Check into the availability of journal articles through the California Digital Library offered over the Web by the UCLA Library.)

## Web Sites

- Centers for Medicare and Medicaid Services (CMS): <http://www.cms.hhs.gov/>  
(The agency that runs Medicare – much data, analysis; note “Medicare Chartbook” in particular)
- Medicare Payment Assessment Commission (MedPAC): <http://www.medpac.gov>  
(Congressional advisory commission – analyses of full range of Medicare issues)
- Government Accountability Office (GAO): <http://www.gao.gov>  
(Congressional policy analytic and accounting agency – includes full text of reports)
- Congressional Budget Office (CBO): <http://www.cbo.gov>  
(Includes reports, cost scoring, and congressional testimony about Medicare)
- House Ways and Means Committee: <http://waysandmeans.house.gov/documents.asp>  
(This link is to outstanding resources, including on-line availability of the *Green Book*, a prime source of information about Medicare and other social programs)  
<http://waysandmeans.house.gov/Links.asp?section=47>  
(“Medicare Resource Kit” – the Republican version of how to think about the MMA)
- Senate Republican Policy Committee: <http://www.senate.gov/~rpc/>  
(Republican assessment of policy issues, including issue briefs)
- Senate Democratic Policy Committee: <http://democrats.senate.gov/~dpc/>  
(Democratic assessment of policy issues, including issue briefs)
- National Bipartisan Commission on the Future of Medicare:  
<http://medicare.commission.gov/medicare/index.html>  
(Proposals, documents, and supporting materials of the Medicare reform commission)
- AcademyHealth: <http://www.academyhealth.org>  
(The professional society for health services and health policy research, and program office for many initiatives with access to research and reports of relevance to Medicare)
- Urban Institute: <http://www.urban.org>  
(Largest health policy group at a general think tank; full-text reports on line)
- Kaiser Family Foundation: [www.kff.org](http://www.kff.org)  
(Major source of research and synthesis on health policy questions, including Medicare; for up-to-the-minute information on health policy, go to <http://www.kaisernetwork.org/>)
- The Commonwealth Fund: <http://www.cmwf.org>  
(Major health policy foundation that also conducts its own research and distributes reports, including much on Medicare. Also click on its “Weekly Update on Washington Health Policy” for weekly summaries of health policy actions in the nation’s capital.)
- Brookings Institution: <http://www.brookings.edu>  
(Major mainstream think tank)
- American Enterprise Institute (AEI): <http://www.aei.org>  
(Major center-right think tank)

- Heritage Foundation: <http://www.heritage.org>  
(Major conservative think tank, with a Center for Health Policy Studies)
- Cato Institute: <http://www.cato.org>  
(Well-known Libertarian think tank, with Cato Health Policy Studies)
- Moving Ideas – the Electronic Policy Network (EPN): <http://www.movingideas.org/>  
(Hypertext links to all kinds of useful sites)
- AARP: <http://www.aarp.org>  
(Largest senior citizen organization; indeed, largest membership organization in the U.S. outside of the Catholic church)
- USA Next: <http://www.unitedseniors.org>  
(Conservative senior citizen organization in opposition to AARP)
- National Committee to Protect Social Security and Medicare (NCPSSM):  
<http://www.ncpssm.org>  
(Competing senior citizen organization)
- FamiliesUSA: <http://www.familiesusa.org>  
(Major liberal health care organization)
- Public Citizen: <http://www.publiccitizen.org>  
(Consumer organization with the Health Research Group)

## Schedule of Topics and Reading Assignments

**April 2<sup>nd</sup>: Introduction to the Seminar**

### **Part 1: The Medicare Context**

**April 9<sup>th</sup>: The International Standard and Experience**

- © Chernichovsky, Dov. “Pluralism, Public Choice, and the State in the Emerging Paradigm in Health Systems.” *Milbank Quarterly* 80 (March 2002): 5-39.
- © White, Joe. “American Health Care in International Perspective.” In James Morone, Leonard Robins, and Theodor Litman, eds., *Health Politics and Policy*, 3<sup>rd</sup> Ed. New York: Delmar Press, 2007, forthcoming.
- © White, Joseph. *Competing Solutions: American Health Care Proposals & International Experience*. Washington, D.C.: Brookings Institution, 1995.  
Chapter 4, pp. 61-90.
- © Iglehart, John K. “Revisiting the Canadian Health Care System.” *New England Journal of Medicine* 342 (June 29, 2000): 2007-2012.

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- © “Building on Values: The Future of Health Care in Canada,” Final Report of the Commission on the Future of Health Care in Canada, November 2002 [excerpted: “A Message to Canadians” and “Executive Summary;” the full report is available at [http://www.hc-sc.gc.ca/english/pdf/romanow/pdfs/HCC\\_Final\\_Report.pdf](http://www.hc-sc.gc.ca/english/pdf/romanow/pdfs/HCC_Final_Report.pdf)].
- © Helderman, Jan-Kees, Frederik T. Schut, Tom E. D. van der Griten, and Wynand P. M. M. van de Ven. “Market-Oriented Health Care Reforms and Policy Learning in the Netherlands.” *Journal of Health Politics, Policy and Law* 30 (February-April 2005): 189-209.
- © Reinhardt, Uwe, Peter S. Hussey, and Gerard F. Anderson. “U.S. Health Care Spending in An International Context.” *Health Affairs* 23 (May/June 2004): 10-25.
- © Anderson, Gerard F., Peter S. Hussey, Bianca K. Frogner, and Hugh Waters. “Health Spending in the United States and the Rest of the Industrialized World.” *Health Affairs* 24 (July/August 2005): 903-914.
- © White, Chapin. “Health Care Spending Growth: How Different is the United States from the Rest of the OECD.” *Health Affairs* 26 (January/February 2007): 154-161.
- © Hussey, Peter S., et al. “How Does the Quality of Care Compare in Five Countries.” *Health Affairs* 23 (May/June 2004): 89-99.

#### **April 16<sup>th</sup>: Origins and Meaning of Medicare**

- \* Moon, Marilyn. *Medicare: A Policy Primer*. Urban Institute, 2006.  
Part of Chapter 3, “How Medicare Has Changed,” (Sections on “Before Medicare,” “Genesis of Medicare,” pp. 47-54.
- \* Oberlander, Jonathan. *The Political Life of Medicare*. University of Chicago Press, 2003.  
Chapter 1, “Introduction,” pp. 1-16.  
Chapter 2, “Medicare’s Roots,” pp. 17-35.  
Part of Chapter 3, “Going Nowhere,” pp. 36-40.  
Part of Chapter 4, “Going Broke,” pp. 74-83.
- © Ball, Robert M. “What Medicare’s Architects Had in Mind.” *Health Affairs* (Winter 1995): 62-72.
- © Patashnik, Eric, and Julian Zelizer. “Paying for Medicare: Benefits, Budgets, and Wilbur Mills’s Policy Legacy.” *Journal of Health Politics, Policy and Law* 26 (February 2001): 7-36.

**SUGGESTION: START READING NEXT WEEK’S ASSIGNMENTS** (esp. Kotlikoff and Burns).

Recommended (Highly): Marmor, Theodore R. *The Politics of Medicare*, 2<sup>nd</sup> Ed. New York: Aldine, 1999, Introduction and Chapters 1-7.

## Part 2: The Problem and the Dimensions of Analysis

### April 23<sup>rd</sup>: The Demographic and Cost Challenges

**NOTE: Policy Problem Memo Due**

- \* Kotlikoff, Laurence J., and Scott Burns. *The Coming Generational Storm: What You Need to Know about America's Economic Future*. MIT Press, 2005.  
Chapters 1 to 5, pp. 1-142.
- \* Moon, Marilyn. *Medicare: A Policy Primer*. Urban Institute, 2006.  
Chapter 2, "Medicare in the 'Big Picture'," pp. 29-46.
- \* Oberlander, Jonathan. *The Political Life of Medicare*. University of Chicago Press, 2003.  
Part of Chapter 4, "Going Broke," pp. 83-106.
- © *The 2006 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds*.  
Introduction and Overview, pp 1-26.  
*The 2007 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds* will not be released until at least the end of March, after the course reader is prepared. The report and summaries are available at <http://www.cms.hhs.gov/ReportsTrustFunds/>
- © Catlin, Aaron, et al. "National Health Spending in 2005: The Slowdown Continues." *Health Affairs* 26 (January/February 2007): 142-153,
- © Buchmueller, Thomas, Richard W. Johnson, and Anthony T. Lo Sasso. "Trends in Retiree Health Insurance, 1997-2003." *Health Affairs* 25 (November/December 2006): 1507-1516.
- © Thorpe, Kenneth E., and David H. Howard. "The Rise in Spending Among Beneficiaries: The Role of Chronic Disease Prevalence and Changes in Treatment Intensity." *Health Affairs*, Web Exclusive, 22 August 2006, pp. w378-w388.
- © Goldman, Dana P., et al. "Consequences of Health Trends and Medical Innovation for the Future Elderly." *Health Affairs*, Web Exclusive, 26 September 2005, pp. W5-R5 to W5-R17.
- © Lakdawalla, Darius N., Dana P. Goldman, and Baoping Shang. "The Health and Cost Consequences of Obesity among the Future Elderly." *Health Affairs*, Web Exclusive, 26 September 2005, pp. W5-R30 to W5-R41.
- © Fries, James F. "Measuring and Monitoring Success in Compressing Morbidity." *Annals of Internal Medicine* 139 (2 September 2003): 455-459.

[continues on next page]

- © Johnson, Richard W., and Rudolph G. Penner. “Will Health Care Costs Erode Retirement Security? An Issue Brief, Center for Retirement Research at Boston College, Number 23, October 2004, pp. 1-9.
- © Marmor, Theodore R. “Report from the Field: How Not to Think About Medicare Reform.” *Journal of Health Politics, Policy and Law* 26 (February 2001): 107-117.
- © White, Joseph. “Uses and Abuses of Long-Term Medicare Cost Estimates.” *Health Affairs* 18 (February 1999): 63-79.

#### **April 30<sup>th</sup>: Economics and Markets in Health Care**

- © Phelps, Charles E. *Health Economics*. New York: Harper Collins, 1992. Chapters 1-3, pp. 1-84.
- \* Hammer, Peter J., Deborah Haas-Wilson, Mark A. Peterson, and William M. Sage, eds. *Uncertain Times: Kenneth Arrow and the Changing Economics of Health Care*. Duke University Press, 2003.
  - Arrow, reprint of original 1963 *AER* article, “Uncertainty and the Welfare Economics of Medical Care”
  - Chernew, “General Equilibrium...,” pp. 37-48
  - Sloan, “Arrow’s Concept of the Health Care Consumer...,” pp. 49-59
  - Cooper and Aiken, “Human Inputs...,” pp. 71-83
  - Havighurst, “Health Care as a (Big) Business...,” pp. 84-99
  - Reinhardt, “Can Efficiency in Health Care Be Left to the Market?,” pp. 111-133
  - Kronick, “Valuing Charity,” pp. 134-141
  - Hammer, “Arrow’s Analysis of Social Institutions,” pp. 215-229
  - Bloche, “The Market for Medical Ethics,” pp. 230-242
  - Hall, “Arrow on Trust,” pp. 259-271
- © Cain II, Harry P. “Privatizing Medicare: A Battle of Values.” *Health Affairs* 16 (March/April 1997): 181-86.

#### **Recommended:**

- Marmor, Theodore R. *The Politics of Medicare*, 2<sup>nd</sup> Ed. Chapter 9, “The Ideological Context of Medicare Politics.”
- Fuchs, Victor R. *Who Shall Live?* New York: Basic Books, 1983.
- Barr, Michael D. “Medical Savings Accounts in Singapore: A Critical Inquiry.” *Journal of Health Politics, Policy and Law* 26 (August 2001): 709-726.
- Newhouse, Joseph P., and the Insurance Experiment Group. *Free for all?: Lessons from the Rand Health Insurance Experiment*. Cambridge, Mass.: Harvard University Press, 1993.
- Conrad, Douglas, and Theodore R. Marmor. “Patient Cost Sharing.” In Theodore R. Marmor, *Political Analysis and American Medical Care, Essays*. New York: Cambridge University Press, 1983, pp. 207-236.
- Canadian literature on patient cost sharing (for example, Morris L. Barer, Robert G. Evans, and Gregg L. Stoddart, *Controlling Health Care Costs by Direct Charges to Patients: Snare or Delusion?* Ontario Economic Council, Occasional Paper 10, 1979).

May 7<sup>th</sup>: The Health Care System in Transition

**NOTE: Washington Post Op-Ed Due**

© Peterson, Mark A., ed. *Healthy Markets? The New Competition in Medical Care*. Duke University Press, 1998.  
Introduction, pp. 1-23.

© Maxwell, James, and Peter Temin. “Managed Competition versus Industrial Purchasing of Health Care among the Fortune 500.” *Journal of Health Politics, Policy and Law* 27 (February 2002): 5-30

© Peterson, Mark A. “Politics, Misperception, or Apropos?” Special Issue on The Managed Care Backlash. *Journal of Health Politics, Policy and Law* 24 (October 1999): 873-886.

© Miller, Robert H., and Harold S. Luft. “HMO plan performance update: an analysis of the literature, 1997-2001.” *Health Affairs* 21 (July/August 2002): 63-86.

\* Hammer, Peter J., Deborah Haas-Wilson, Mark A. Peterson, and William M. Sage, eds. *Uncertain Times: Kenneth Arrow and the Changing Economics of Health Care*. Duke University Press, 2003.

Gelinjs, et al., “Uncertainty and Technological Changes in Medicine,” pp. 60-70

Glied, “Health Insurance and Market Failure since Arrow,” pp. 103-110

Bazzoli, “...Evolution of Provider Compensation Arrangements,” pp. 142-155

Silver, “The Role of Capital Markets in Restructuring Health Care,” pp. 156-166

Haas-Wilson, “...Changing Content and Sources of Health Care Information, pp. 169-

180

Robinson, “The End of Asymmetric Information,” pp. 181-188

Casolino, “...Intermediate Organizations as Triple Agents,” pp. 189-201

Millenson, “Moral Hazard vs. Real Hazard: Quality of Care Post-Arrow,” pp. 202-211

Needleman, “The Role of Nonprofits in Health Care,” pp. 243-258

Jacobson, “Regulating Health Care...,” pp. 290-301

Sage, “The Lawyerization of Medicine,” pp. 302-317

© Robinson, James C. “Managed Consumerism in Health Care.” *Health Affairs* 24 (November/December 2005): 1478-1489.

© Dowd, Bryan E. “Coordinated Agency Versus Autonomous Consumers in Health Services Markets.” *Health Affairs* 24 (November/December 2005): 1501-1511.

© Ginsburg, Paul B. “Competition in Health Care: Its Evolution Over the Past Decade.” *Health Affairs* 24 (November/December 2005): 1512-1522.

© Berenson, Robert A. “Which Way for Competition? None of the Above.” *Health Affairs* 24 (November/December 2005): 1536-1542.

Recommended:

Special Issue on “The Managed Care Backlash.” *Journal of Health Politics, Policy and Law* 24 (October 1999).

Special Issue on “Beyond Managed Care.” *Health Affairs* 23 (March/April 2004).

Morgan, Robert O., et al. “The Medicare-HMO Revolving Door – the Healthy Go In and the Sick Go Out.” *New England Journal of Medicine* 337 (July 17, 1997): 169-175.

White, Joseph. “Which ‘Managed Care’ for Medicare?” *Health Affairs* 16 (September/October 1997): 73-82.

Lee, Carol, and Deborah Rogal. “Risk Adjustment: A Key to Changing Incentives in the Health Insurance Market.” Changes in Health Care Financing and Organization Program, Alpha Center, Washington, D.C., March, 1997.

Newhouse, Joseph P., Melinda Beeukes Buntin, and John D. Chapman. “Risk Adjustment and Medicare: Taking a Closer Look.” *Health Affairs* 16 (September/October 1997): 26-43.

Root, Jane, and Sue Stableford. “Easy-to-Read Consumer Communications: A Missing Link in Medicaid Managed Care.” *Journal of Health Politics, Policy and Law* 24 (February 1999): 1-26.

Eddy, David M. “Performance Measurement: Problems and Solutions.” *Health Affairs* 17 (July/August 1998): 7-25.

McGlynn, Elizabeth A., et al. “The Quality of Health Care Delivered to Adults in the United States.” *New England Journal of Medicine* 348 (June 26, 2003): 2635-2645.

#### **May 14<sup>th</sup>: The Public, Politics, and Health Care Policy Making**

\* Weissert, Carol S., and William G. Weissert. *Governing Health: The Politics of Health Policy*, 3<sup>rd</sup> Edition. Baltimore: Johns Hopkins University Press, 2006.

Whole book **as a reference** (focus on Chapters 1-3, and 6).

\* Hammer, Peter J., Deborah Haas-Wilson, Mark A. Peterson, and William M. Sage, eds. *Uncertain Times: Kenneth Arrow and the Changing Economics of Health Care*. Duke University Press, 2003.

Peterson, “From Trust to Political Power...,” pp. 272-289

© Campbell, Andrea Louise. “Self-Interest, Social Security, and the Distinctive Participation Patterns of Senior Citizens.” *American Political Science Review* 96 (September 2002): 565-574.

\* Oberlander, Jonathan. *The Political Life of Medicare*. University of Chicago Press, 2003. Chapter 6, “Medicare Politics,” pp. 136-156.

© *Medicare and the American Social Contract*. Final Report of the Study Panel on Medicare’s Larger Social Role, National Academy of Sciences, Washington, D.C., February 1999.

Chapter 3, “The American Public Views Medicare.”

© Peterson, Mark A. “The Politics of Medicare Reform: Dynamics, Hurdles, and Opportunities.” Discussion paper prepared for the Panel on Medicare Politics, Project on “Creating an Equitable, Efficient, and Sustainable Medicare for the 21<sup>st</sup> Century,” Stanford University, April 2006.

Recommended:

Schlesinger, Mark. "On Values and Democratic Policy Making: The Deceptively Fragile Consensus around Market-Oriented Medical Care." *Journal of Health Politics, Policy and Law* 27 (December 2002): 889-925.

Peterson, Mark A. 1997. "The Limits of Social Learning: Translating Analysis into Action." *Journal of Health Politics, Policy and Law* 22 (August 1997): 1077-1114.

Peterson, Mark A. "The Politics of Health Care Policy: Overreaching in An Age of Polarization." In Margaret Weir, ed., *The Social Divide: Political Parties and the Future of Activist Government*, pp. 181-229. Washington, D.C.: Brookings Institution and Russell Sage Foundation, 1998. [Includes both Clinton Health Security Act and failed Republican efforts to restructure Medicare in 1995.]

**Part 3: Reform**

**May 21<sup>st</sup>: Past Changes in Medicare**

\* Moon, Marilyn. *Medicare: A Policy Primer*. Urban Institute, 2006.  
Part of Chapter 3, "How Medicare had Changed: Coverage..." pp. 54-75.  
Part of Chapter 4, "How Medicare had Changed: Benefits," pp. 77-87.

\* Oberlander, Jonathan. *The Political Life of Medicare*. University of Chicago Press, 2003.  
Part of Chapter 3, "Going Nowhere," pp. 40-73  
Chapter 5, "The Rises," pp. 107-135.

© Christensen, Sandra. "Medicare+Choice Provisions in the Balanced Budget Act of 1997." *Health Affairs* 17 (July/August 1998): 224-231.

© DeParle, Nancy-Ann. "Report from the Field: As Good As It Gets? The Future of Medicare+Choice." *Journal of Health Politics, Policy and Law* 27 (June 2002): 495-512.

© Gold, Marsha. "Can Managed Care and Competition Control Medicare Costs?" *Health Affairs*, Web Exclusive, April 2, 2003, pp. W3-176 to W3-188.

Recommended:

Marmor, Theodore R. *The Politics of Medicare*, 2<sup>nd</sup> Ed.  
Chapter 8, "The Politics of Medicare Reform in the 1990s."  
Special issue of *Health Care Financing Review* 16 (Winter 1994).

Himelfarb, Richard. *Catastrophic Politics: The Rise and Fall of the Medicare Catastrophic Coverage Act of 1988*. University Park, PA: Penn State Press, 1995.

Moon, Marilyn, Barbara Gage, and Alison Evans. "An Examination of Key Medicare Provisions in the Balanced Budget Act of 1997." Washington, D.C.: The Urban Institute, September 1997.  
[www.urban.org/authors/moon.html](http://www.urban.org/authors/moon.html)

**May 28<sup>th</sup>: Competing Approaches to Medicare Reform**

**MEMORIAL DAY: We need to make alternative arrangements!**

The Set Up—Social Insurance: Markets and Private Plans vs. Direct Government Provision

- \* Oberlander, Jonathan. *The Political Life of Medicare*. University of Chicago Press, 2003  
Chapter 7, “The New Politics of Medicare,” pp. 157-196.
- \* Kotlikoff, Laurence J., and Scott Burns. *The Coming Generational Storm: What You Need to Know about America's Economic Future*. MIT Press, 2005.  
Chapter 6, “Changing Course,” pp. 143-171; part of Chapter 8, section “Eat Broccoli,  
pp.. 232-239.
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## **June 4<sup>th</sup>: The Current Status Quo; the Medicare Prescription Drug, Improvement, and Modernization Act of 2003; and Beyond**

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**June ??? [To be determined]: Submission of Written Testimony**

**June ??? [To be Scheduled]: Hearing on Medicare Reform, Committee on Finance, U. S. Senate**