35TH ANNIVERSARY EVENTS

On July 12, 2000, the Department of Health and Human Services (HHS) celebrated 35 years of Medicare and Medicaid. Former Secretary Donna E. Shalala hosted a commemorative program in the Great Hall of the Hubert H. Humphrey building in Washington D.C. Celebrations and health fairs were held in cities across the nation and connected to Washington DC via satellite.

Joining the Secretary on the podium in Washington were former Deputy Secretary Kevin Thurm, former Health Care Financing Administration Administrator Nancy Ann Min DeParle, and from the Administration on Aging former Assistant Secretary for Aging Jeanette C. Takamura. The mother of D.C. Mayor Anthony A. Williams, Mrs. Virginia Hayes Williams sang the National Anthem. Mr. Mark Powell, a centenarian and Medicare beneficiary spoke on behalf of the other (younger) centenarians attending as special guests of the Secretary. Other honored guests included individuals who played major roles in the passing and implementation of Medicare.

- Remarks by the Hon. Donna E. Shalala
  Former U.S. Secretary of Health and Human Services
  at the 35th Anniversary Event Hubert H. Humphrey Building
  U.S. Department of Health and Human Services, Washington, D.C. (pages 2-7)

- Nancy-Ann Min DeParle, Former HCFA Administrator
  Remarks for the 35th Anniversary Event, July 12, 2000 in Washington, D.C. (pages 8-12)

- Liz Carpenter, Former LBJ White House Spokesperson
  Remarks for the 35th Anniversary in Dallas, July 12, 2000 (pages 13-17)
Standing here in the Hubert H. Humphrey Building, I'm reminded of the well-known words that Vice President Humphrey himself spoke—in this very hall—when this building was dedicated in 1977. In the presence of his sister Fran Humphrey Howard—who's every bit the voice for good—the voice for change—and the voice for the voiceless that Hubert was—he noted: "the moral test of a government is how that government treats those who are in the dawn of life—the children; the twilight of life—the elderly; and the shadows of life—the sick, the needy, and the handicapped." Throughout his distinguished career as mayor, senator, and Vice-President, Humphrey always strove to pass that moral test—especially when it came to our country's elderly and disabled.

In 1949, he introduced into Congress the very first national health care Bill specifically targeted to senior citizens—called "Post Hospital Care for the Aged." Unfortunately, the landmark Bill received little support, and Humphrey would have to wait many long years to see his dream become reality...and his vision become law. He would have to wait until American was immersed in the promise and potential of President Lyndon Johnson's "Great Society." He would have to wait for victory in a slow, and often difficult, political battle. He would have to wait until July 30, 1965. On that date, President Johnson traveled to the Truman Library in Independence, Missouri to sign the Medicare Bill into law...to change forever what it means to be elderly and disabled in America...and to prove that our nation can be good as well as great.

Although Humphrey's dream of medical care for the elderly and disabled culminated on that humid July day, the story of Medicare—its journey from idea to institution—is deeply rooted in the politics and
policies of the twentieth century. So it's only fitting that on this, Medicare's 35th Anniversary, we briefly pause to reflect on the journey that we celebrate today.

During the darkest days of the Great Depression, President Franklin Roosevelt understood that too many Americans were not only ill-housed and ill-fed, but just plain ill. That's why, during the 1930s, FDR supported the principle of national health insurance. But it was Roosevelt's successor, Harry Truman, who truly raised the banner of national health insurance by becoming the first President to publicly endorse and passionately fight for such a program. To paraphrase what President Johnson said during the signing ceremony, Harry Truman did more than give his opponents hell, he gave the American people hope. Unfortunately, the time wasn't right, and Truman would later recall that his biggest disappointment as President was his failure on national health insurance. But if he had lost the battle, the war was far from over.

Social Security expert Wilbur Cohen, a future Secretary of Health, Education and Welfare and other Truman Administration officials began to focus on the needs of the elderly. Back in 1934, when Cohen was only out of the University of Wisconsin a few months, he had helped draft the original Social Security Act. Cohen speculated that many seniors who had the least resources but the most health care needs were facing a gradual decline into a twilight existence of illness and isolation. Under his leadership, the Truman Administration came up with a new and fairly radical idea: Guaranteed hospital care for everyone on Social Security. Cohen called it "American's form of national health insurance." A Bill, which certainly would have passed Hubert Humphrey's moral test, was drafted and filed in Congress in 1952. The road to Medicare was now paved.

Over the next 12 years, with Wilbur Cohen serving as its faithful guardian, the Medicare Bill evolved and changed. Both President Kennedy and President Johnson dedicated themselves to its passing and to ensuring that not a single elderly person suffered the indignity and infirmity of an untreated illness. Finally, with the support of compassionate and courageous individuals in Congress, including another future HHS Secretary, then Senator Richard Schweiker, the spark that Harry Truman and Hubert Humphrey first ignited became a beacon of hope for every senior citizen.

It must have been a bittersweet victory for the "Man from Independence" when President Johnson signed the Medicare Bill in
Truman's presence and handed him and Mrs. Truman Medicare Cards Number One and Two. Musing about the long road that brought them to that day, Johnson would remark during the signing ceremony that, "We marvel not simply at the passage of this Bill; what we marvel at is that it took so many years to pass it."

The difficulty of Medicare's journey can only be matched by the difference Medicare has made in the lives of the elderly and disabled. The phenomenal difference it made reminds me of a story about the famous writer, Somerset Maugham. Maugham was asked to address a group on his 80th birthday. When the author was introduced, he began by saying, "Old age has many benefits." And he suddenly stopped. Maugham looked around. He fidgeted. He sipped some water. At last, he said slowly and dryly, "old age has many benefits, I'm just trying to think of some."

Maugham was trying to be funny. But when he made that remark a half century ago as many of our centenarians can attest there was a sad ring of truth in his words. At the time, growing old meant poverty. Growing old meant disability. And growing old meant going without health insurance. In 1964, only 50 percent of America's seniors had insurance for hospital care. Too many had to choose between saving their health or spending all they had saved. Too many had to watch the spark of hope fade as they sank into the darkness of poverty. And too many had to bear the pain of an untreated illness and a seemingly uncaring nation. They were members of our "Greatest Generation" the one that restored the American dream and destroyed the Nazi nightmare and yet our country seemed to quietly forget about their sacrifices and service.

At the time, the lives of millions of older Americans seemed scripted for an unhappy, undignified ending, but, then with a stroke of President Johnson's pen, the script was totally rewritten. As Senator Russell Long of Louisiana commented during the Congressional Medicare debate on July 6, 1965: "—he pending [Medicare] Bill will be the largest and most significant piece of social legislation ever to pass the Congress in the history of our country. It will do more immediate good, for more people, who need the attention of their government, than any Bill that Congress has ever enacted." He couldn't have been more right.

Since 1965, largely thanks to Medicare, access to health care for seniors has increased by one-third, the poverty rate has dropped
significantly, and older Americans are enjoying not just more years in their lives, but more life in their years.

Additionally, since 1972, the promise of Medicare has also included Americans with disabilities, and those with end-State renal disease. By improving access to health care, financial security, and overall quality of life for the disabled, Medicare helped ensure that no American was left out, left behind, or left on the sidelines. It cast the light of national concern on those who for too long had live in the shadows of our national consciousness and it made the American dream more accessible for those with disabilities. The number of the disabled enrolled in Medicare has grown from two million in 1972 to more than five million today. And over the life of the program, more than 93 million Americans including almost 10 million with disabilities have been able to access the humanity and healing of modern medicine and bring our nation a little closer to passing Humphrey's moral test.

But anniversaries are not only a time for celebration, they're also a time for reflection. So today we need to examine not only Medicare's past but its future. The New York Times reporter, Max Frankel, happened to be present at the signing ceremony in 1965. Shortly after Johnson put down his pen, Frankel approached the President and said, "My mother thanks you." "No," Johnson replied, "It is you who should be thanking me."

Johnson was referring to the fact that, thanks to Medicare, young families and young people would no longer have to bankrupt their own savings and dreams providing for the medical needs of older family members. But I think Johnson meant something more. He understood that Medicare is a living program, one whose promise will be just as important for each succeeding generation of Americans.

But if we are to keep that promise for future generations, for our children and grandchildren, then we must continue to strengthen and modernize Medicare. My extraordinary predecessor, John Gardner, HEW Secretary during the height of Johnson's Great Society, certainly understood this when he noted, "Medicare was a great turning point, but it has to be continually revised."

A program designed for the 20th century must be reinvented for the 21st century. That's exactly what we've been trying to do for the past seven-and-a-half years. Because of President Clinton's economic and healthcare policies, we extended the life of the Medicare Trust Fund for 26 years, until 2025. We launched the biggest crackdown on fraud,
waste, and abuse in Medicare's history and restored over 2 Billion dollars to the Trust Fund. In October, the Work Incentives law the President signed lets people with disabilities work and keep their Medicare for eight-and-a-half years. This is a good first step, but we've proposed to extend their benefits for life. We've strengthened Medicare's management, we've modernized our payment system, and perhaps most important, we've added new preventive benefits.

We all know that disease prevention and early detection can substantially reduce life-threatening illness. That's why the President worked with Congress to add several new preventive benefits to Medicare, including mammograms, bone density measurements, flu and pneumonia shots, colorectal cancer screening, and glucose monitoring for diabetics. These new benefits are helping prevent and detect diseases at early stages when they're most treatable. They are helping to reinvent Medicare for the 21st century.

To complement these benefits, today I'm pleased to announce our new "Smoking Cessation Project." This program will test specific strategies to help older Americans in selected States quit smoking. The information we gather could lead to a smoking cessation benefit in the Medicare program. Additionally, I'm also happy to kick off the second year of "Screen for Life," our national colorectal cancer action campaign. Colorectal cancer is the second leading cause of cancer deaths among Americans. The ultimate message of our campaign is that it doesn't have to be. Colorectal cancer screening saves lives and Medicare can help pay for the test.

Of course, if we truly want to ensure the promise of Medicare for future generations, if we truly want to modernize the program, then we must still add the one benefit that has become an essential element of high-quality medicine: prescription drugs. When Medicare was created, no one could have imagined the role that prescription drugs would eventually play in modern medicine. I don’t have to tell you that medications are as important today as hospital care was in 1965. We need an affordable, accessible, comprehensive prescription drug benefit, and we need a drug benefit now. I can think of no better, no more fitting way, to honor Medicare's 35th anniversary and to fulfill Hubert Humphrey's moral test.

The addition of a prescription drug benefit will undoubtedly enhance the promise of Medicare. It's a promise that we as a nation cannot break. Harry Truman himself certainly understood the importance of
Medicare to our country when he commented, "this signing of the Medicare Bill puts this nation where it needs to be, to be right."

Truman, and the heroes of '65 knew that Medicare, along with Social Security, would be the twin pillars supporting the true equality of all Americans. Truman and the heroes of '65 knew that Medicare proved not how good we are, but how good we can be. Truman and the heroes of '65 knew that Medicare, by promising the best health care in the world for older and disabled Americans, advanced the very promise of America itself. And, above all, Truman and the heroes of '65 knew that Medicare confirmed the greatness of America. It confirmed that we, as a nation, would never turn our heads away from those who were sick or suffering, that we would never refuse to extend a helping hand to the helpless. And that we would heed the words of Hubert Humphrey and never harden our hearts to those who are living in the dawn, in the twilight, or in the shadows of life.
It is appropriate that we have begun this event with our National Anthem because we are here this afternoon to commemorate a great American success story—the 35th anniversary of Medicare.

In that spirit of celebration—and before I go any further—I want to recognize some distinguished Americans who have contributed to the creation, the expansion, and the success of the Medicare program.

We are honored to have with us several former officials from the Department of Health and Human Services—and its predecessor, the Department of Health, Education and Welfare—as well as the agency which I have the honor of heading-up, the Health Care Financing Administration.

In particular, I want to acknowledge former HCFA Administrator Gail Wilensky.

And I especially want to pay tribute to the 28 people who served on the staff of the Department of Health, Education, and Welfare when Medicare was founded 35 years ago, and continue to work at the Health Care Financing Administration today. Many of these dedicated public servants are in the audience today, along with other workers from 1965 who are now retired.

Please stand up. America owes you a round of applause, and we’re going to give it to you.

And I have a special sense of pleasure and pride in introducing several centenarians from the Washington area who are long-time Medicare beneficiaries and who are here with us today to join in this festive occasion:
Mr. Mark Powell, who is 102, is on stage with us with his wife, Blanche. You’ll hear more about them shortly.

In the audience, we are joined by Mr. Felix Baker, who is 101 and an active volunteer at a senior center in Westminster, Maryland.

Mr. Ben Cohen, who also is 101, has sacrificed his weekly golf game to join us from Wilmington, Delaware.

Mr. Rupert Clark is 102 and a retired businessman who lives here in Washington.

And Mrs. Almeda Hudson Armentrout, who turns 100 next month, is here from Hyattsville, Maryland. She is joined by her son, Robert, who is the Mayor of Hyattsville and also a Medicare beneficiary.

Americans who are celebrating their 100th birthdays this year turned 65 in the year that Medicare began. And they have witnessed some of the greatest accomplishments of the last American Century—including the ways in which this program has helped to improve the lives of Americans of all ages.

At the Health Care Financing Administration, we have just prepared a profile of this program—entitled *Medicare 2000: 35 Years of Improving Americans’ Health and Security*.

This report tells the story of how far we have come towards the great national goal of securing senior citizens’ health care—and also how much further we still need to go before the vision of Medicare’s founders is fulfilled.

Thanks largely to Medicare and Social Security, senior citizens are living longer, healthier, and more dignified and rewarding lives.

As our report makes clear, America has begun to do right by the members of some of our greatest generations. These are folks who have contributed so much to this country—in war and in peace, in times of privation and in eras of prosperity.

Over the past 35 years, Medicare has served more than 93 million Americans.

It has brought us to the day when more than 97% of older Americans covered by Medicare; when the poverty rate among senior citizens has
declined; and when the life expectancy of a 65-year-old women has increased by 20%.

Over the years, as modern medicine has advanced, Medicare has raised its sights and expanded its score.

Today, Medicare covers many Americans with Disabilities. And now Medicare offers many preventive benefits, so that we can help people stay healthy longer, as well as care for them after they become ill or injured.

In fact, right now, throughout this country, many Americans are participating in Medicare celebrations that are linked by satellite. These events are highlighting many of the preventive benefits Medicare now offers.

All across America, we are celebrating Medicare because it strengthens the entire American community.

Because older Americans can count on more security, Americans of all ages are enjoying more opportunity. Free from the fear that they will be bankrupted by a parent’s illness, today’s families can invest more in their children’s education. From generation to generation, our families are continuing our great national journey of social and economic progress.

All this is a tribute to the wisdom and the vision of the great national leaders from both parties who helped make Medicare a living reality.

As President Johnson said, when he signed Medicare into law 35 years ago this month:

"No longer will older Americans be denied the healing miracle of modern medicine. No longer will illness crush and destroy the savings they have so carefully put away over a lifetime so they might enjoy dignity in their later years—No longer will this nation refuse the hand of justice to those who have given a lifetime of service and wisdom and labor to the progress of this progressive country."

Thirty-five years later, we are here not just to celebrate Medicare but to rededicate ourselves to preserving, protecting, and improving this program which does so much to strengthen our Nation and sustain our values.
Now more than ever before, Medicare is a successful national endeavor. We provide more than $200 billion in services to more than 39 million older Americans and Americans with Disabilities.

We do this with administrative expenses that represent less than 2% of the program’s costs.

At the end of March, the Medicare Trustees reported that the Health Insurance Trust Fund will remain solvent until the year 2025—long enough to protect the health security of baby-boomers like me when we retire.

That is ten years longer than last year’s forecast. It is a remarkable achievement, considering that, when the Clinton/Gore Administration took office, the Trust Fund was projected to be depleted by 1999.

We were able to accomplish this because the economy has grown spectacularly, replacing budget deficits with budget surpluses.

And we have done this because—under the warm-hearted and tough-minded leadership of Secretary Shalala—we have protected and modernized Medicare.

Last year alone, we increased convictions for Medicare fraud by 57% over the levels for the year before. And we recovered nearly $500 million during 1999.

Since 1996, aggressive enforcement has recovered nearly $1.9 billion. Other efforts to prevent improper and wasteful spending have saved the taxpayers an estimated $60 billion since 1993.

Now that we have preserved and protected Medicare—and now that we are celebrating its 35th anniversary—it is time to take this program into the 21st Century.

When Medicare was founded, the great challenge was to help older Americans make use of the 20th Century miracles of modern hospitals. Now our challenge is to help older Americans have access to the 21st Century miracles of modern medicine.

That is why we should keep faith with the members of America’s greatest generations who depend on Medicare. That is why we should keep faith with the memories of such great national leaders as Presidents Truman, Kennedy, and Johnson who fought for Medicare.
And that is why we should take the next step in this great national journey whose progress we celebrate today.
I am honored to be here for this celebration of a truly significant 35th anniversary. Secretary Donna Shalala invited me to come here today to remember those dramatic days of Medicare's enactment in 1965. Remember? Now, that's trust.

I take my text from the novelist Edith Wharton: "In spite of illness, or even the archenemy—sorrow—one can remain alive long past the usual date of disintegration if one is unafraid of change, insatiable in intellectual curiosity, interested in big things, and happy in small ways." She might have been writing a press release for the passage of Medicare.

"The greatest generation" is what Tom Brokaw calls us in his book of tribute to those who weathered the depression and came out of World War II, to begin building the America we have today. "They are a generation who are grateful," he wrote.

Several powerful flesh and blood symbols of that generation stepped off Air Force One in Kansas City on a July day in 1965 and drove to the Harry S. Truman Library in nearby Independence. President Lyndon Johnson led the way. With him were Vice President Hubert Humphrey, Speaker John McCormack, Wilbur Cohen, assistant Secretary of HEW, leaders of the U.S. Senate and House of Representatives, and Congressman Wilbur Mills. And on hand to receive them, a broad grin across his face and his eyes moist behind his spectacles, was the man for whom the library was named—the 33rd President of the United States who twenty years before had waged a valiant fight to create medical insurance for the elderly and had fallen on the multi-million dollar sword the medical lobby had in the field to defeat him. But now, finally, in a new Administration, a measure tailored to Truman's dream had miraculously passed, and it was LBJ's idea to come to Independence to sign Medicare into law. Even the name Independence was symbolic for it was independence from fear and anxiety that Medicare gave the nation's senior citizens.
LBJ's walk-on line was perfect: "The people of the United States love and voted for Harry Truman not because he gave them hell...but because he gave them hope. He planted the seeds of compassion which have today flowered into care for the sick and serenity for the fearful. I am so proud this has come to pass in the Johnson Administration."

Then, the President introduced, one after another, those who had come down from Washington with him. He bragged on the role each had played. It had taken them all. But everyone in that assembly knew that above all it had taken a master at moving votes and meshing minds...cajoling, pleading, threatening. It had taken Lyndon Johnson.

Refreshing my memory for this occasion, I have re-read the oral histories of Wilbur Cohen. I have listened to the tapes of Johnson's telephone conversations documenting the frantic reach for votes. I have read LBJ's memoirs to refresh my own memory. And I have talked to Lady Bird who was there and recalls the overwhelming relief, the great sense of gratification that came with the successful saga that led to that day of fulfillment in Independence, Missouri.

If President Johnson emerges as the primary hero of that saga—and he surely does—there are other heroes whose names will always be associated with Medicare. Notable among them is Wilbur Mills, not because he was known as a man of particularly great compassion, but because he knew how to count votes, and knew—in a demonstration of Statecraft at work—how to adapt to democracy's prevailing winds.

LBJ in the 1964 campaign repeatedly promised that medical care for the elderly would be at the top of his list of proposals to the new Congress. The election that year brought 71 new Democratic members of the House, most of them supporting Medicare. And the word from the country was pouring in by mail and phone calls: we need Medicare. In the past the House Ways and Means Committee, chaired by Wilbur Mills, had been the graveyard for medical insurance because Mills, claiming to be worried about its "actuarial soundness" failed to support it. But his reluctance to be defeated or overrun in his committee removed his worry about "actuarial soundness" and converted him overnight into the Bill's strongest supporter.

On January 4, LBJ asked the 89th Congress to make Medicare its first order of business. Medicare was the first measure introduced in the House as HR-1 and in the Senate redesignated as S-1. As it began to move, the AMA began to change its tactics, giving up on some of its
opposition but not letting go of other parts. LBJ was on the phone constantly to the leaders of the House and the Senate. To Wilbur Mills, who now was maneuvering to get the measure out of committee and on to the House floor, he cautioned the chairman, once he got the measure out, not to "let it sit there like a lot dead cats on the porch. Move it out."

"Remember what Sam Rayburn used to say," he told Mills. "Inevitably, legislation out of committee begins to stink fast. So get it to the floor."

On the eve of March 2, Wilbur Mills, with the passion of a new convert, dropped a bombshell. He said he was proposing a Bill that combined three features: hospital care, a supplemental program for the indigent, and a voluntary program to take care of doctor Bills and other related services. He wanted the White House to draft the new Bill by morning. "How about 24 hours?" he was asked. "No, tomorrow morning." He decided the tempo was with him and he would introduce it and pass it.

"How much will it cost?" the President wanted to know. "About 500 million." The President thought that was a bargain. Then, Mills asked, "What do you want me to do about it, Mr. President." The President told him about the test that had been given to the man in Texas who wanted to be a railroad switchman. One of the questions he was asked was, "What would you do if a train from the east was coming at 60 miles an hour and a train from the west was coming at 60 miles an hour on the same track and they were just a mile apart and headed for each other?" The prospective switchman replied, "I'd run get my brother." "Now, why," he was asked, "would you run to get your brother?" "Because," the fellow answered, "my brother has never seen a train wreck before."

The President approved the Bill immediately and told Mills if the Ways and Means Committee reported out the Bill he'd run get his brother because neither his brother nor anyone else had ever seen a Medicare Bill.

Things began to move so fast the opposition was dumbstruck and the Bill was passed out in rapid time before Speaker Rayburn's "dead cats on the porch began to stink."

Meanwhile, back at the White House, LBJ was using his celebrated talents with another group. The American Medical Society was absolutely crucial to Medicare's success and there had been wide
speculation that doctors with the support of the AMA would boycott Medicare. The President summoned their leaders to Washington.

If any doctors came to the White House that day primed to be difficult, LBJ didn't give them the chance. He poured it on—Johnson style, thanked them for coming, expressed his deepest respect for their profession, talked movingly about how much the devotion of his own family doctor had meant to him as his father lay dying.

A few weeks later, the AMA announced it would not support a boycott of Medicare.

The rest is history. When the Bill passed both houses, LBJ wanted to sign it into law before the end of July, which would mean an extra $30 million in benefits to the aged. And he knew where he wanted to sign it. So Air Force One with all the heroes, new and old aboard, headed for Missouri.

As time has passed, 95 percent of the doctors became participants. But the forecasts of disaster continued right up to the day Medicare went into effect. Predictions that hospitals, clinics and doctors' offices would be flooded with hordes of elderly patients, that the system would collapse under its own weight, that many poor patients would die on the steps of overcrowded hospitals. Both the President and Secretary of HEW John Gardner kept issuing reassuring Statements.

LBJ said to John Gardner, "John if you're wrong in your calculations, we're both going to look like the worst kind of damn fools."

"I hope you are not worried," Gardner replied.

"No," the President said, "if a man can't take that kind of chance, he doesn't belong in public life."

What better way for a President to spend his credit than taking a chance for the American people! And I am glad that is what we are seeing right now—another President taking a chance on adding prescription drugs to Medicare. I know how much it means first hand. A simple prescription I have paid $6 for, over the last 30 years suddenly jumped to $17 last month.

I began these remarks with a quotation from Edith Wharton, a beautiful writer and I want to conclude with the deeds of another beautiful writer. When Lady Bird Johnson reached her 70th birthday,
she opened a national wildflower research center with the words. "I want to pay my rent on the world by trying to make America more beautiful." That lady and that center still flourish 17 years later.

Today, good health makes it possible for millions of senior citizens to use their experience and keep on building a greater and more beautiful America.