

THE POLITICS OF OBAMACARE, SOCIAL SECURITY, AND MEDICARE

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Recently, a journalist asked me to compare the politics of the 2010 Affordable Care Act – known as ObamaCare – to the decades-ago creation of Social Security and Medicare, America’s largest and most popular social insurance programs. Her question led me to think about the nature of these landmark laws, the politics of their enactment, and the challenges of their implementation.

The Programs and Laws

Although the Affordable Care Act is a highly complex piece of legislation featuring many regulatory and intergovernmental provisions meant to address lack of health insurance coverage affecting a variety of different groups, Medicare and Social Security are much more focused programs offering benefits primarily to the elderly. Both Medicare and Social Security originated as part of larger pieces of legislation that included other key provisions.

When signed into law in August 1935, Social Security was only one part of the omnibus Social Security Act, which also had major provisions about social welfare assistance and unemployment insurance. As historians have noted, old-age insurance was not at the center of the political debates over enactment. During Congressional hearings, much more was said about unemployment insurance and social assistance than about old-age insurance, a type of program then little known in the United States outside expert circles.

In 1965, Medicare was enacted alongside Medicaid, a social assistance program that was meant to remain relatively small. Medicare was more visible and hotly debated. But over subsequent decades, Medicaid has become at least as controversial, in large part because it has been expanded by the states and federal authorities to fill gaps left by other parts of U.S. private and public health coverage for the poor, the disabled, and the elderly in need of long-term care. Today, the Affordable Care Act plans another Medicaid expansion, which is very contentious politically.

Contrasting Political Dynamics at Enactment

Social Security and Medicare were originally enacted more easily and with a modicum of bipartisan support, because in 1935 and 1965 Democrats not only controlled the White House but had overwhelming majorities in both chambers of Congress. In contrast, ObamaCare barely made it through Congress in 2010, given thin Democratic majorities. Amid extreme partisan divides along ideological lines, it faced all-out Republican opposition.

- In April 1935, only 15 of the 102 House Republicans voted against proposed legislation for the Social Security Act, while 81 voted in favor. House Democrats were 284 in favor and 15 against (because, back then, some conservatives were in the Democratic Party). The pattern of support was similar in the Senate, where only one Democrat and five Republicans voted

against the 1935 act (although closer divisions had occurred on earlier votes about crucial amendments, making it clear many Republicans disliked the idea of old-age insurance).

- After the landslide Democratic victory of November 1964, Medicare also received overwhelming support, even though about half of minority House Republicans and 17 out of 32 Senate Republicans voted against the legislation establishing Medicare and Medicaid.
- By contrast, in March 2010, the House barely passed the Affordable Care Act by 219 to 212, with all 178 House Republicans voting against. These numbers underline the exacerbated partisanship in Congress and, more generally, the lack of consensus surrounding this reform.

Although proposals for Medicare were very controversial, with powerful interest groups like the American Medical Association strongly opposed, the political fury over ObamaCare orchestrated by Republican and Tea Party forces far exceeds opposition to Medicare nearly half a century ago. Public opinion data sheds light on this contrast: according to a Gallup poll conducted in October 1964, several months before the start of legislative debates over the legislation, 61% of Americans supported the idea of Medicare while only 31 percent were opposed. Decades later, in mid-2009, most Americans also favored the idea of health care reform, but public support for the actual legislation fell as Republicans mounted all-out attacks both before and after enactment. Republican opposition to Medicare was always more muted, at least in public.

The Challenges of Implementation

The Affordable Care Act also faces greater implementation challenges than Medicare and Social Security, because fifty states have major sway over carrying through core parts of the 2010 legislation. Other parts of the 1935 law did face obstruction or watering down in the states, but old-age insurance as such was a national program, as was the later Medicare program.

- Social Security was attacked by the GOP in the 1936 elections, and for years officials faced difficulties in collecting new payroll taxes and making sure both employers and employees knew about and accepted the program. Policy revisions and wartime delays made full implementation uncertain until the 1950s, but thereafter Social Security gained a large and unified constituency and became virtually unassailable.
- Medicare faced the challenges of desegregating hospitals in the South amid the throes of the Civil Rights battles, and also had to overcome initial opposition from insurance companies and private health providers. But opponents soon came around as huge federal subsidies flowed, and program administrators could target beneficiaries already on Social Security. Within a year of enactment, the vast majority of eligible seniors were enrolled into Medicare.

For the Affordable Care Act, even as Republicans and conservatives continue to mount fierce political attacks calling for the repeal or gutting of the entire law, more consequential obstruction comes from state-level governors and legislators who can refuse to help establish exchanges to market subsidized private insurance and – more importantly – can outright block the expansion of Medicaid. In June 2012, the Supreme Court upheld most of the Affordable Care Act but also said that federal authorities could not sanction states refusing to expand Medicaid starting in 2014. That puts into jeopardy a major part of the planned expansion of coverage. Involving many actors at different levels of government, the implementation of ObamaCare must proceed through ongoing political battles and numerous, unusually tricky administrative steps. The bottom line for this law's effectiveness and popularity is unlikely to become clear anytime soon.