



Opening Up Medicare Involves Costs and Consequences

In a new issue brief, “A Framework for Analyzing Medicare at 60,” commissioned by the [Partnership for America's Health Care Future](#), Lanhee J. Chen, Ph.D., Tom Church, and Daniel L. Heil review Medicare at 60, a proposal to lower the Medicare eligibility age from 65 to 60, and its likely consequences.

The issue brief concludes Medicare at 60 would absorb a majority of newly eligible Americans aged 60 to 64 years old, with Medicare expenditures likely to rise significantly as a result.

Some of the report's findings include:

- In 2018, as many as 16.9 million of 18.2 million 60- to 64-year-olds who were not enrolled in Medicare would have enrolled in Medicare at 60.
- Medicare would serve as the **primary payer** for as many as **11.1 million** of this group.
- Among this population, average Medicare-related expenditures were \$8,400 in 2018. Assuming no change in average expenditures, **Medicare could pay as much as \$5,700 per new enrollee.**
- With Medicare at 60 implemented in 2022, **the health insurance (HI) Trust Fund would likely be depleted in 2024** unless policymakers adopt alternative financing methods for the new Part A expenditures.

Future analysis is needed to determine the more extensive effects this would have on the budget, cuts to health care providers, and costs for those with private coverage – among other considerations. However, also of note and worthy of further analysis is the authors' finding that lowering the Medicare eligibility age to 60 may encourage more people to retire sooner, potentially having a major impact on the federal budget.

This new issue brief demonstrates there could be a range of costs and consequences to opening up Medicare through proposals such as Medicare at 60. A copy of the full report can be found [here](#), and a link to all of the Partnership's resources can be found [here](#).

