

Press Release

Lowering the Medicare Age to 60: Cost and Coverage Outcomes

PAULINA ENCK | SEPTEMBER 13, 2021

The Biden Administration and congressional Democrats have named as a priority lowering the Medicare eligibility age from 65 to 60. Whether the proposal is included in the final text of the \$3.5 trillion spending package or a future vehicle, it is important to understand the potential costs. New modeling from the American Action Forum's? Center for Health and Economy? shows the range of impacts of extending Medicare eligibility to those age 60-64.

Read an overview of the research in today's Daily Dish.

Key findings:

- Lowering Medicare eligibility to age 60 would cost \$380 billion over 10 years—even after accounting for Affordable Care Act savings from lower spending on subsidies and assuming that employers continue to offer health insurance to those newly eligible for Medicare.
- If employers were to respond by dropping health coverage for employees age 60-64, the total cost of the policy would climb to as high as \$1.8 trillion.
- Both scenarios would result in approximately 3.9 million additional insured individuals, at a cost of \$9,756 to \$57,912 per newly covered person.

Read the analysis