**Health Care TIMELINE**

<table>
<thead>
<tr>
<th>Organized Medicine Takes Shape</th>
<th>Concept of Health Insurance Promoted</th>
<th>A Model for Health Insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1900s</strong></td>
<td><strong>1912</strong></td>
<td><strong>1929</strong></td>
</tr>
<tr>
<td>This period marks the beginning of organized medicine. The American Medical Association gains powerful influence as the national organization of state and local associations. Unlike European countries, U.S. policy-makers find little value in health insurance.</td>
<td>Social insurance, including health insurance, gains public attention when Teddy Roosevelt and his Progressive Party campaign on the issue. The American Association for Labor Legislation also publishes and promotes a draft bill for compulsory health insurance, but the effort is derailed when the U.S. enters World War I.</td>
<td>Baylor Hospital in Dallas, Texas, starts a prepaid hospital insurance program with a local teachers union and creates what is thought to be the nation’s first example of modern health insurance.</td>
</tr>
</tbody>
</table>

**New Focus With Hard Economic Times**

The Depression shifts attention to unemployment insurance and “old age” benefits. President Franklin Roosevelt creates the Committee on Economic Security to address these issues as well as medical care and insurance. But when the Social Security Act is passed, health insurance is omitted. The American Medical Association strongly opposes a national health insurance program, saying it would increase bureaucracy, limit doctors’ freedom and interfere with the doctor-patient relationship.

**FDR Proposes ‘Economic Bill of Rights’**

In his State of the Union address, President Franklin Roosevelt outlines an “economic bill of rights” that includes the right to adequate medical care and the opportunity to achieve and enjoy good health. During World War II, U.S. businesses begin to offer health benefits as they compete for workers, giving rise to the employer-based system in place today.

**National Health Insurance Condemned**

Shortly after becoming president, Harry Truman proposes a broad health care restructuring that includes mandatory coverage, more hospitals, and double the number of nurses and doctors. Denounced by the American Medical Association and other critics as “socialized medicine,” his plan goes nowhere in Congress.
There is a shift toward privatization of health care as corporations begin to integrate the hospital system (previously a decentralized structure) and enter many other health-care-related businesses and consolidate control. In 1987, the Census Bureau’s annual estimate of health insurance coverage in the United States finds 31 million uninsured (13 percent of the population).

President Lyndon Johnson signs into law the most significant health reform of the century: Medicare, which provides comprehensive health care coverage for people 65 and older, and Medicaid, which helps states cover long-term care for the poor and disabled.

Medical costs rapidly escalate now that millions more are insured after the passage of Medicare and Medicaid. In 1972, President Richard Nixon signs the Health Maintenance Organization Act as part of his national health strategy to reduce costs. HMOs are prepaid, managed-care group plans. But further action is stymied by the Watergate scandal. For the next several decades, presidents and lawmakers try, and fail, to overhaul the health care system.

Massachusetts implements laws to provide health care coverage to nearly all state residents and calls for shared responsibility among individuals, employers and the government in financing the expanded coverage. Within two years, the state’s uninsured rate is cut in half. Vermont also passes comprehensive health care reform aiming for near-universal coverage. The law creates a health plan for uninsured residents and focuses on improving overall quality of care.

President Barack Obama signs landmark health care legislation. The Patient Protection and Affordable Care Act requires that all individuals have health insurance beginning in 2014. Those with low and middle incomes who do not have access to affordable coverage through their jobs will be able to buy coverage with federal subsidies. Health plans cannot deny coverage for any reason, including a person’s health status, nor can they charge more because of a person’s health or sex.