



The Narratives that Institutions Tell Can Explain a Lot

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Back in the 1960s, when the Medicare program of healthcare coverage for the elderly and the Medicaid program for poor people were being developed, if you had asked their designers which one would eventually be expanded to cover more and more population groups, you would have got an unambiguous response: Medicare. Medicaid was essentially an afterthought. And yet, almost six decades later, it is Medicaid that has proved to be the workhorse program for incremental expansions of coverage. How can we understand this result, especially when Medicare began and has continued as the more popular program, while Medicaid has been stigmatized for much of its life? And what can this example tell us more generally about why some programs are resistant to change while others are more malleable?

Most attempts to explain why Medicaid has expanded its reach or why Medicare has not have focused on one program or the other. But the puzzle of why Medicaid could expand while Medicare did not, while both were subject to the same political climate shifts over the decades, remains unexplained. Using a narrative lens provides a novel way to look at this puzzle, and more specifically, at the institutional narratives that grew up around each program over time. Analyzing institutional narratives provides insights to policy decision-makers who want to champion longstanding programs under attack, or start new programs off in the most hospitable setting.

The Power of Institutional Narratives

Institutions are vehicles of collective endeavor, established for the pursuit of some shared purpose. Durable institutions are sustained in large part by powerful narratives, through which the understanding of institutional purpose is developed, conveyed and internalized by its members over time. This shared understanding maintains the *integrity of the institution*, its fidelity to the purpose or mission for which it was established. Institutions without such a narrative core are more likely to be converted to different purposes, or to be dismantled.

Why is this? Narratives have a unique power: They appeal to both the intellect (by providing a plot that explains how one thing led to another and another) and the imagination (by inviting the audience into the lives of the characters whose choices, actions and motives drive the plot). In the case of institutional narratives, the plot traces the pursuit of purpose through a series of events from the establishment of the institution through to the present and into the future, and has a “moral” that justifies the purpose as a “mission.” The characters play the sort of “paradigmatic” roles that we see in the Medicare case, such as heroes, allies, foes, stewards, victims and saviors. But by highlighting certain events and characters and not others, the creators of these narratives silence other aspects of institutional experience. As the anthropologist Mary Douglas once reminded us, institutions remember, but they also forget.

Looking at Medicare and Medicaid in this light, we can see how Medicare's mission to serve the elderly was sustained in the face of continued attempts to scale it back, while Medicaid's "forgotten" mandate allowed the program to be converted to a succession of different purposes, as different opportunities arose in shifting political contexts.

The Medicare Story as an Institutional Narrative

On every anniversary of the signing of the 1965 legislation that established Medicare and Medicaid, speakers rise in Congress to celebrate the occasion by telling the same story. It's an epic of founding heroes—including Presidents Truman, Kennedy and ultimately Johnson—persevering in the face of relentless opposition to public healthcare coverage for the elderly. They portray the signing as sealing of a cross-generational social compact long in the making—and they pledge to continue to honor that compact as stewards of the Medicare legacy, carrying it forward for future generations, against the same sort of opposition the founders encountered. Democrats and Republicans have come to portray the honoring of the compact differently, as Republicans depict themselves as saviors rescuing the program from insolvency while Democrats cast themselves as defenders protecting the program from Republican cutbacks. But both respect the narrative of the founding and its legacy. Notably, Medicaid was all but absent from these accounts for the first three decades of anniversary rhetoric. Only in the 2000s did Medicaid begin to feature with a Cinderella story of its own to take its place beside Medicare.

Ironically, Medicare's powerful narrative as *a cross-generational compact* struck against monumental odds and *a legacy from the heroes of the past* has made Medicare remarkably resistant to expansion beyond its elderly beneficiary base. After the completion of the one expansion already underway in the 1960s—to cover non-elderly disabled adults in 1972—the definition of the Medicare population has remained fixed, despite the periodic rise of "Medicare for All" on the Democratic agenda. Medicaid, on the other hand, could grow incrementally and opportunistically to cover more and more population groups. First, it extended its reach into the middle class as more and more elderly people requiring nursing home care shed their housing assets to qualify for Medicaid coverage. Later, Medicaid was seized upon as the vehicle for coverage of low-income children. Yet again under the Affordable Care Act, Medicaid coverage was extended further up the income ladder. These expansions increasingly allowed Medicaid to be re-framed as a middle-class program, until the story of its growth over time and the sweep of its coverage finally gave the program a coherent narrative.

Lessons for Policymakers and Advocates

Those who want to defend and sustain a program should see if it has developed a narrative to which they can appeal, and make their case by invoking the plot, characters and moral of that narrative. Those looking to launch a new program should remember that most policy purposes can be accomplished through a variety of institutional means. My analysis would suggest looking for an existing institutional vehicle of either of two types: an institution with a mission-oriented narrative into which a new proposal can be fit, or one without a core narrative that is adaptable to different purposes.

Read more in Carolyn Tuohy, "Anniversary Narratives of the Healthcare State: Institutional Entrenchment in Retrospect." *Journal of Health Politics, Policy and Law* (2022).

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