Why is CMS in Baltimore?

Why is CMS headquarters located in Baltimore rather than Washington D.C.?

The Social Security Act was signed in 1935, estabishing the Old Age Benefits Program. When Medicare and Medicaid were created under the Social Security Act in 1965, Medicare was the responsibility of the Social Security Administration (SSA) and Medicaid was the responsibility of the Social and Rehabilitative Service Administration (SRS). Both SSA and SRS were part of the Department of Health, Education, and Welfare (HEW). In 1977, the Health Care Financing Administration (HCFA, now called the Centers for Medicare & Medicaid Services or CMS) was created to administer both the Medicare and Medicaid programs. Medicaid staff were transferred from Washington to Baltimore to join Medicare staff, and integrated into a functionally aligned organization (HCFA) in June 1979. The 1980 reorganization divided HEW into the Department of Education and the Department of Health and Human Services (HHS). Both SSA and HCFA reported to the Secretary of HHS.

HCFA was located in Baltimore in office space on the SSA campus because the majority of HCFA's staff came from SSA's Baltimore Woodlawn campus.

In 1995, SSA became independent of HHS, and after occupying office space on the SSA campus and in other nearby buildings in Baltimore, CMS consolidated into its own 960,000 square foot national headquarters down the road from SSA on Security Boulevard.

The following excerpt by Frank Bane (See Links Outside CMS located on http://www.cms.hhs.gov/History/), former Executive Director of the Social Security Board is a personal account of what happened in the years 1936–1939 that lead to SSA, and subsequently CMS national headquarters, in Baltimore, Maryland.

HCFA staff moved to their new campus in 1995.

SSA's East High Rise Building on Security Blvd. was built in 1970. HCFA personnel moved into the EHR and other nearby buildings.