# Speaker Pelosi's Government Takeover of Health Care Will Hurt Seniors

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Health care reform should preserve choice and options for all seniors to ensure continued access to quality care that best suits their needs, and should reduce the cost of health care for all Americans. A Washington takeover of health care will achieve neither of these goals.

Instead, the 1,990-page takeover of health care being proposed by House Speaker Nancy Pelosi (D-CA) will eliminate choices, reduce benefits and raise premiums for America's seniors. It makes deep cuts to Medicare, including cuts to Medicare Advantage plans, which will force millions of seniors out of their current coverage, breaking President Obama's "if you like your health coverage, you can keep it" promise. And other changes to the Medicare prescription drug program will raise seniors' premiums by 20 percent or more.

As an alternative to the government takeover of health care proposed by Speaker Pelosi, House Republicans are offering a common-sense, responsible solution our nation and seniors can afford. The GOP alternative recognizes health care reform must preserve choices and benefits in Medicare that seniors depend on, and preserves the relationship between doctors and patients.

**A Tale of Two Approaches:**

|  | Pelosi Plan | GOP Alternative |
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| **Cuts to Medicare?** | **YES.** CBO estimates the bill would cut Medicare by $505 billion over the next ten years, and that Medicare cuts in the bill "will increase by 10 to 15 percent per year in the next decade." | **NO.** Medicare is not cut. |
| **Benefit Reductions for Seniors in Medicare Advantage Plans?** | **YES.** CBO estimates the bill would make more than $150 billion in cuts to Medicare Advantage (MA) plans over the next ten years. CBO also says that the MA cuts in the bill, "could lead many plans to limit the benefits they offer, raise premiums, or withdraw from the program." | **NO.** Medicare Advantage is not cut, and benefits will not be limited or reduced. |
| **Seniors Forced Out of Current Coverage They Like?** | **YES.** Today, nearly 11 million seniors nationwide choose Medicare Advantage (MA) plans as the coverage that best meet their needs. An earlier analysis by Republicans on the House Ways & Means Committee found that 6 million seniors will be denied access to an affordable MA plan, including 3 million | **NO.** Seniors will be able to keep their current Medicare – including Medicare Advantage – plan if they like it. |

| | who will lose the plan they currently have. | |
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| **Premium Increases for Seniors?** | **YES.** CBO estimates that seniors' Part D (prescription drug coverage) premiums will increase by at least 20%. | **NO.** There are no changes to Medicare that will increase premiums for seniors. |

## Pelosi Plan is Chock-Full of Bad News for Seniors:

- The nonpartisan experts at the Centers for Medicare & Medicaid Services (CMS) recently released an analysis showing that the policies embodied by Speaker Pelosi's health care bill could harm seniors' medical care. Among the estimates released by CMS' Office of the Actuary were:
  - o Fewer doctors and hospitals treating Medicare patients**:** "Providers for whom Medicare constitutes a substantive portion of their business could find it difficult to remain profitable and might end their participation in the program (possibly jeopardizing access to care for beneficiaries)."
  - o Medicare benefits will be cut for 11 million seniors: Medicare Advantage (MA) cuts would result in "less generous benefit packages. …Under current law, MA plans use rebate revenues to reduce Medicare coinsurance requirements, add extra benefits such as vision or dental care, and/or reduce enrollee premiums for Part B or Part D of Medicare."
  - o Millions of seniors will lose their health plan**:** As a result of the Democrats' Medicare cuts, OACT predicts that enrollment in MA will decline from 13.2 million in 2014 to just 4.7 million, a 64 percent decline in projected enrollment. This also means that millions of seniors will lose the health plan that they have today.

- The nonpartisan Congressional Budget Office (CBO) arrived at similar conclusions. In their report, CBO estimated that Medicare cuts contained in the Democrats' health bills, "could lead many plans to limit the benefits they offer, raise their premiums, or withdraw from the program."

- CBO predicts that under Speaker Pelosi's health care bill seniors' Part D (prescription drug coverage) premiums will increase by 20% Source: Congressional Budget Office, letter to Committee on Ways and Means Ranking Member Camp, August, 28, 2009). However, subsequent changes to the Democrats' bill, whose premium impact has not yet been analyzed by CBO, will push these premium increases even higher. Additionally, in order hide the true costs of their health plan, Democrats have decided to temporarily remove the Medicare physician payment fix and pass it separately. CBO estimates that this fix which dedicates roughly $250 billion to increase physician reimbursements, would cause seniors' Medicare Part B premiums to increase by $50 billion (Source: CBO score of H.R. 3961).

## Republican Alternative Offers Common-Sense Solutions for Seniors:

- Implements comprehensive medical liability reform that will reduce costly, unnecessary defensive medicine practiced by doctors trying to protect themselves from overzealous trial lawyers.
- Sets up a system to get generic biologic medicines into the market will help bring down the cost of those life-saving treatments.

- Cracks down on Medicare fraud and abuse to make sure program funds are being used to provide care and not to line the pocket of scam artists.
- Ensures decisions on care are based on quality, not price, and are made between patients and their doctors.
- Promotes prevention and wellness by giving employers and insurers greater flexibility to financially reward employees who seek to achieve or maintain a healthy lifestyle.

*For more information, please visit [http://HealthCare.GOP.gov](http://HealthCare.GOP.gov).*