



# AMERICA'S AFFORDABLE HEALTH CHOICES ACT

## QUALITY AFFORDABLE HEALTH CARE

### HEALTH INSURANCE REFORM: A GUIDE FOR SENIORS

President Obama and Congress are working to fix what's broken in our health care system and strengthen what's working.

Medicare—which has provided health care for Americans age 65 and older for the last 44 years—is working, and will be strengthened under America's Affordable Health Choices Act (H.R. 3200).

Without reform for all Americans, health care costs will keep rising, and it could jeopardize Medicare's ability to keep covering costs. Rising costs hit seniors' wallets too—with the average Part D plus Part B premium consuming an estimated 12% of the average Social Security benefit in 2010—and 16% by 2025.

The debate on reform has been intense, and often filled with frightening—and wrong—information.

AARP is speaking out against the scare tactics: “We won't stand idle when opponents of health care reform attempt to scare or mislead the American people—and older Americans in particular—about what fixing the system really means,” said AARP Executive Vice President Nancy LeaMond.

This guide:

- Answers what's in the House reform bill for you
- Clears up some misinformation
- Answers questions frequently asked by older Americans



# WHAT'S IN THE REFORM BILL FOR SENIORS?

## LOWER DRUG COSTS

Ending the 'doughnut hole' for prescription drug coverage. The reform bill will result in lower overall prescription drug costs for seniors, according to the non-partisan Congressional Budget Office. *Right now, evidence suggests the "doughnut hole" coverage gap reduces seniors' use of drugs prescribed by their doctor by an average of 14%, posing a real health threat to seniors who simply cannot afford the drugs.*

## FREE PREVENTIVE CARE

So you pay nothing on recommended preventive services that will keep you healthier longer. *Right now, one in five women age 50 or over did not have a mammogram in the last two years, and 38% of adults age 50 or over have never had a colonoscopy – with costs often a factor.*

## BETTER PRIMARY CARE

Ensuring you have access to and can spend more time with your primary care doctor, and making sure your care is better coordinated to ensure you get recommended treatments, particularly for chronic diseases. *Right now, about 12 million seniors lack access to a primary care doctor in their community.*

## GUARANTEED ACCESS TO YOUR DOCTOR

Eliminating the 21% pay cut your doctor was facing for Medicare reimbursements, ensuring that these doctors will still be able to care for seniors—especially in rural areas. *Right now, without reform, 40% of doctors say they will reduce the number of Medicare patients they treat.*

## IMPROVED SAFETY

Developing national standards on quality measurement and reporting, investing in patient safety and rewarding doctors and nurses for high quality care. *Right now, nearly one in five Medicare patients who are discharged from the hospital are readmitted within 30 days—many for preventable reasons.*

## PROTECTION OF MEDICARE

Extending the solvency of the Medicare Trust Fund by five years, to help ensure Medicare can cover every American as they get older. *Right now, the Medicare Trust Fund is projected to be exhausted in just eight years, in 2017, which could cause cuts to services and care.*

## TIGHTER OVERSIGHT

Focusing health care dollars on your care and benefits and cracking down on waste, fraud, abuse, and overpayments to enrich private companies. *In the last year alone, improper Medicare payments that were discovered and stopped totaled more than \$450 million.*



## CLEARING UP MISINFORMATION

“UNDER HEALTH REFORM, A GOVERNMENT PANEL OR BUREAUCRAT WILL TELL ME WHEN TO DIE.”

**FALSE!** Decisions about your health will still be made by you, your doctor, and your family. The House bill simply provides Medicare reimbursement to doctors for spending time with patients who wish to speak with their doctors about their values and preferences regarding end-of-life care – empowering older Americans to have their wishes observed—and a policy supported by Republicans until this debate. Any end-of-life care conversations are only at a patient’s request.

Some scare tactics have focused on “comparative effectiveness research” in the bill to try to claim government panels would decide what care you can get. The bill explicitly prohibits the Center for Comparative Effectiveness Research and the Comparative Effectiveness Research Commission from using this research to define, limit, or deny any treatment or services. In reality, this research would provide doctors with the best information on what treatments work – in effect, making them smarter and better able to treat you.

“HEALTH CARE REFORM WILL LEAD TO RATIONED CARE.”

**FALSE!** Nothing will stand between you and your doctor, or prevent you from making the best health care decisions. Reform actually takes insurance company bureaucrats out of the decision process for your family—and if you’re enrolled in Medicare—improves the level of care you get, at a lower cost, with no government bureaucrats making decisions for you.

**FALSE!** Under this bill, there is no government takeover of health care. Every American will still be able to choose your own doctor and health insurance plan—and make care decisions with that doctor. The House bill builds on the current system of private health insurance. Indeed, according to the nonpartisan Congressional Budget Office, private insurance coverage will expand by 16 million under the House reform bill. CBO projects that only a total of about 11 million – or 3 percent of Americans – would choose to enroll in a newly-formed public health insurance plan.

“HEALTH CARE REFORM IS A GOVERNMENT TAKEOVER.”

“HEALTH CARE REFORM WILL END MEDICARE.”

**FALSE!** Reform is about strengthening Medicare—a part of our health care system that’s working well. For Medicare enrollees, the House bill lowers prescription drug costs, makes preventive care free, ensures that you can keep your doctor, and improves the quality of your care.

**FALSE!** We can’t afford not to fix it. Rising health care costs are hurting our families and businesses now, and driving up the budget deficit. If we do nothing, the cost of health care premiums will eat up more and more of your monthly check—and the prescription drug ‘doughnut hole’ won’t get fixed.

“WE CAN’T AFFORD TO FIX HEALTH CARE DURING AN ECONOMIC CRISIS.”

## FREQUENTLY ASKED QUESTIONS

**Q. I've heard that the bill pays for providing health care coverage for millions more Americans by cutting Medicare by billions of dollars. Won't that mean cuts to my Medicare benefits and care?**

A. The Medicare cost savings in the House bill affect insurance companies and health care providers, not seniors. They are designed to make Medicare more efficient and less wasteful. They are achieved by reducing excessive profits that private insurance companies are making off Medicare Advantage; requiring hospitals, doctors, and other providers to be more efficient; calling for more coordinated care; and cracking down on waste, fraud and abuse. The AARP has concluded that none of these savings will hurt seniors or cut their benefits.

The House bill also plows some of the Medicare cost savings right back into Medicare – making key improvements in Medicare benefits for seniors. These improvements include such items as closing the prescription drug program's dreaded doughnut hole, eliminating co-payments and deductibles for preventive services, and improving the subsidy program that helps low-income Medicare beneficiaries pay their premiums and cost-sharing. Overall, the House bill strengthens Medicare – extending the solvency of the Medicare Trust Fund by five years.

**Q. What if I'm on Medicare Advantage? Will Medicare Advantage plans still be available under reform?**

A. Yes, private Medicare Advantage plans will still be available under health care reform. Currently, about 24 percent of America's seniors are in Medicare Advantage plans rather than in traditional Medicare. Since 2003, these plans have cost U.S. taxpayers more than traditional Medicare—overpaying private insurance companies by an average of 14%, and in some regions of the country as much as 20%. Those profits cost all Medicare enrollees more. In fact, a typical older couple enrolled in traditional Medicare will pay \$90 extra per couple in premiums next year to help pay for profits to the Medicare Advantage private insurance companies. The House reform bill phases out these overpayments to Medicare Advantage plans over three years.

If you're enrolled in Medicare Advantage (MA), you are likely currently paying more in 'cost-sharing' for vital services like hospitalizations, chemotherapy, and home health care. The House reform bill would fix that: MA enrollees would never pay more than traditional Medicare enrollees. Many MA plans will continue to offer their services under the new payment system. The plans that are able to operate efficiently and provide extra value to their enrollees through care coordination will continue to flourish. If an MA plan chooses to leave the market, people will have choices of other MA plans in their community as well as the choice of a stronger traditional fee-for-service Medicare program to choose from. Traditional Medicare will no longer have a drug doughnut hole, will offer free preventive health care, and will provide greater assistance for those with lower incomes – all reasons people have chosen MA plans in the past.

**Q. What if I'm a veteran and get care through the VA? Will my care be cut?**

A. Veterans' health services have seen historic funding increases under this Congress and care continues to improve. Nothing in health care reform will hurt or change Veterans' health care.

**Q. Will there be a shortage of doctors if we're suddenly insuring millions of people who aren't covered now?**

A. The House bill contains numerous provisions to expand the number of trained doctors in our country – to ensure that access to doctors is not a problem as more Americans receive coverage. These provisions include providing new scholarships, loans, and loan repayment help to help recruit new doctors and nurses into the profession—especially primary care providers. The bill will make sure we are training the right kinds of doctors to meet our needs. And it will help move us to a system of more computerized medical records to save your time and your doctor's time—as well as money and lives.