

What's In It For Seniors? Stability and Security for Seniors in Health Insurance Reform



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Health insurance reform will build on and improve the promise Medicare made to you: stable, quality care you can count on.

You will get more benefits. You will get better benefits:

- An end to the “donut hole” for prescription drug coverage, which can cut your drug costs in half or more.
- Free preventive care so you spend less out-of-pocket on co-pays.
- Annual prevention check-ups with your doctor.
- Rewards and discounts for healthy habits.

You will continue to see the doctors you need to see when you need to see them. The quality of your care will improve.

- More time with primary care doctors who'll get to know you well, ensure you're on the right medications and get you the tests and specialty care you need.
- Doctors and hospitals will receive more money when they prevent mistakes like infections from medical procedures and when they coordinate care for patients leaving the hospital.
- Special help in rural areas so you get the best coverage even if you live in remote areas.

Medicare's finances will be improved. There will be less waste and abuse of Medicare dollars.

- Bigger penalties for violators and tighter oversight, so Medicare covers more of your health care instead of paying for rip-offs.
- More money will be going to benefits and less to insurer profits.

BACKGROUND INFORMATION

Filling the donut hole

The “donut hole” refers to the gap in Medicare coverage for beneficiaries whose annual prescription drug costs fall between \$3,000 and \$6,000. The President's proposal on February 22, 2010 would completely eliminate the donut hole by 2020.

Prevention

The President's proposal would eliminate co-pays and deductibles for preventive care such as cancer screening. It would also provide beneficiaries with a personalized prevention plan.

The President's proposal also provides funding for an initiative to provide incentives to Medicare beneficiaries who successfully participate in certain healthy lifestyle programs designed to prevent high blood pressure, high cholesterol, tobacco use, overweight or obesity, diabetes and falls.

Access and Quality

The President's proposal provides for the development of new payments for medical homes, which gives patients a team of professionals who look out for their health. It would also put “warranties” on care so that mistakes are not paid for and require hospitals to report errors.

Rural health

The President's proposal will expand the training programs for doctors in rural areas, expand funding for recruitment and retention of health professionals in rural areas, and expand

prevention and care for patients with chronic diseases efforts in rural areas.

Medicare financing

As a result of the various reforms proposed in the bill, the President's proposal will extend the life of the Medicare trust fund for five years past its currently projected insolvency date of 2017. Thus, the trust fund will be solvent through 2022.

The President's proposal also prevents undue profits by Medicare Advantage plans by allowing Medicare to recover overpayments to plans who submit unjustified claims about the how sick their patients are. Plans receive higher payments for sicker patients. Those payments are necessary to ensure that plans treat sicker patients fairly, but they also creates an opportunity for abuse.