



The U.S. Senate has voted to debate health reform legislation, the Patient Protection and Affordable Care Act of 2009 (PPACA), H.R. 3590. This is a great step toward bringing us closer to our goal of affordable and accessible health care for all Americans! The Alliance for Retired Americans hopes that the Senate will make further improvements to its bill by adding provisions that would: completely phase out the doughnut hole; allow the government to negotiate the cost of prescription drugs; and remove the tax on the health benefits of retirees and working families. The following demonstrates how the PPACA will work to improve health care for America's seniors!

✓ ***Lowers Your Prescription Drug Costs*** –The PPACA requires drug manufacturers to provide a 50% discount to Part D beneficiaries for brand-name drugs and biologics beginning July 1, 2010. It will also shrink the gap by \$500 per senior for 2010. With this improvement, seniors will be better able to get the medications they need without breaking the bank or going without other necessities.

✓ ***Protects Your Choice of Doctor*** – The PPACA will prevent a scheduled 21% cut in Medicare doctor payment rates in 2010, ensuring that doctors will continue to serve seniors and seniors can continue seeing their preferred doctors.

✓ ***Makes Preventive Services More Affordable*** – Today, seniors in Medicare must pay 20 percent of the cost of many preventive services. The PPACA strives to keep seniors healthy by eliminating these copays and deductibles for preventive services. This means no copays for immunizations, cancer screenings, cholesterol screening, bone calcium level screening, and colonoscopies, among other procedures. Additionally, the PPACA provides for free annual wellness check-ups, with a comprehensive health risk assessment that will help identify chronic diseases, modifiable risk factors and emergency or urgent health needs.

✓ ***Helps Seniors Prepare for Long Term Care Costs*** – Ten million Americans today need long term services and supports—including 4 million under age 65. Notwithstanding this need, fewer than 10% of seniors have private long term care insurance policies, which can be very expensive. The PPACA addresses this need for long term care and promotes independence by creating a new, voluntary national insurance program (to be known as the CLASS Independence Benefit Plan) that helps seniors pay for care in their own homes rather than going prematurely into a nursing home to obtain care covered by Medicaid.

✓ ***Keeps Nursing Homes Safe*** - The PPACA requires long term care facilities to conduct criminal background checks on prospective employees. Through this legislation, families will have greater assurance that their loved ones receiving long-term care are safe if the people who provide care have passed a background check for previous criminal activity and abuse.

✓ ***Brings Savings to Medicare*** - Eliminates wasteful overpayments to private Medicare Advantage plans and creates new incentives for coordinated, high quality care across the health care spectrum. Medicare Advantage plans currently receive an average of 14 percent more per person than traditional Medicare for perks that only some seniors receive and without showing any better medical results. Ending these overpayments will extend Medicare's Trust Fund solvency.

✓ ***Helps 55-64 Year Olds Stay Healthy*** – The PPACA helps ensure affordable and accessible health insurance coverage for 55-64 year olds by:

- ***Eliminating pre-existing condition exclusion*** and requiring insurers to offer health insurance coverage to all individuals, regardless of health status.
- ***Establishing a “basic benefits package”*** that ALL health insurance plans would have to provide. Currently, even if older adults are able to afford coverage, their options tend to be less comprehensive than what is necessary to keep them healthy. The PPACA will remedy that problem by setting a minimum standard on what must be included in every health insurance plan.
- ***Limiting Premium Costs*** - Premiums for older adults can be no more than triple what insurers charge the youngest adults. Additionally, the four types of plans to be sold in the exchanges – “bronze,” “silver,” “gold,” and “platinum” plans each place limits on out-of-pocket costs for covered services.
- ***Making Health Insurance Affordable*** by including a public option in the PPACA. As the public health insurance option forces insurance companies to compete, prices of private health insurance should fall for everyone.
- ***Supporting Coverage for Retirees*** by creating a \$5 billion fund to help employers offset the costs of expensive health claims for its 55-64 year old retired employees. Without retiree coverage, many 55-64 year old retirees are left uninsured because they have tremendous difficulty getting insurance in the individual market or can only do so at a very high cost. By helping employers pay for a part of these costs, they will be more likely to continue to offer coverage to this vulnerable population.

