

## How Seniors Benefit from the New Health Care Law

***Reduces drug costs by phasing out doughnut hole*** – Provides a \$250 rebate in 2010 for seniors who fall in the doughnut hole. In 2011, when seniors fall in the doughnut hole, they will receive a 50% percent discount on *brand-name* drugs and government subsidies for *generic drugs*. By 2020 the doughnut hole will be eliminated.

***Covers Preventive Services*** – In 2011, seniors in Medicare will receive free annual check-ups. In addition, the law eliminates co-payments or cost-sharing for mammograms, colonoscopies and other preventive screenings.

***Supports Early Retiree Coverage*** – Provides financial assistance to employer health plans that cover early retirees, bringing down health costs and premiums by as much as \$1,200 per family, per year for some plans.

***Encourages Doctors to coordinate care and improve quality*** – Creates incentives for providers to work together to better serve patients and reduce wasteful care like repeated tests.

***Removes Obstacles to Changing Part D Plan*** – Allows Part D enrollees to make a mid-year change in their enrollment if their current plan unexpectedly makes a change that result in higher cost for a drug they take.

***Significantly Lowers Cost for Struggling Seniors*** –Expands the Medicare Part D low-income subsidy, which will dramatically help struggling seniors afford their health care costs.

***Enacts CLASS Act creating a new option for long-term assistance for seniors and the disabled*** – Creates a new, voluntary, self-insured insurance program to help families pay for the costs of long-term supports and services if a loved one develops a disability. Also, creates new options for states to provide home and community based services in Medicaid, enabling more people with disabilities to access long-term services in the setting they choose.

***Enacts the Elder Justice Act*** – Authorizes new criminal background checks on long-term care workers who have access to residents or patients and requires greater transparency of nursing homes, including public disclosure of the entities that own, govern, operate and profit from nursing homes. The law also requires better information about the quality of nursing care and improves complaint process.

***Brings Savings to Medicare*** - By eliminating wasteful overpayments to Medicare Advantage plans and by creating new incentives for coordinated, high quality care across the health care spectrum, the law extends the solvency of the Medicare Trust Fund by 9 years and improves Medicare for generations to come.

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# Immediate Benefits for Seniors

(Effective in 2010)

BENEFIT	HELP FOR...	WHAT THIS MEANS FOR AMERICANS
Closing Medicare Part D “Doughnut Hole”	Seniors	Provides a \$250 rebate to Medicare beneficiaries who hit the “doughnut hole” in 2010. <i>(Beginning in 2011, institutes a 50% discount on brand-name drugs in the doughnut hole; also completely closes the doughnut hole by 2020.)</i>
Assistance for Early Retirees	Seniors	Creates a \$5 billion reinsurance fund to help employers who provide health benefits to early retirees ages 55 to 64.
High Risk Insurance Pool	Seniors and Families	Creates a \$5 billion high-risk insurance pool to provide insurance to individuals who have been denied insurance due to pre-existing condition and have been uninsured for six months
Bans Lifetime Limits On Coverage	Seniors and Families	Prohibits health plans from placing lifetime caps on coverage.
Bans Restrictive Annual Limits On Coverage	Seniors and Families	Tightly restricts new plans’ use of annual limits to ensure access to needed care. These tight restrictions will be defined by HHS. <i>(Beginning in 2014, the use of any annual limits would be prohibited for all plans.)</i>
<i>Effective Beginning January 1, 2011</i>		
Free Preventive Care Under Medicare	Seniors	Eliminates co-payments for preventive services and exempts preventive services from deductibles under the Medicare program.
Long-term Care Services	Families	Enacts the CLASS Act , which creates a new, voluntary, self-insured insurance program to help families pay for the costs of long-term supports and services if a loved one develops a disability.

