



H.R. 3962 & America's Seniors – A Prescription for Success!

Last week, the U.S. House of Representatives introduced the Affordable Health Care for America Act (H.R. 3962), a comprehensive health reform bill that positively addresses many of the weaknesses in our current health care structure. Included in this bill are many provisions that will enhance Medicare benefits and improve the quality of care for America's seniors while simultaneously ensuring the long-term solvency of this beloved program. Despite these great improvements, some seniors still believe that health care reform means "cuts" to Medicare or remain ambivalent because they believe that they have little to gain from health care reform. The following list helps to set the record straight and explains why H.R. 3962 is great for America's seniors!

- ✓ ***Closes the Part D Doughnut Hole*** – H.R. 3962 immediately begins to fill in the Medicare Part D doughnut hole so that seniors will be able to get the medications they need without breaking the bank or going without other necessities. In 2010, seniors will see the doughnut hole reduced by \$500 and will enjoy a 50% discount on brand-name prescription drugs in the doughnut hole while completely phasing it out by 2019.
- ✓ ***Lowers Your Prescription Drug Costs*** – H.R. 3962 allows the government to negotiate on behalf of Medicare for lower prescription drug prices. Currently, Medicare is overpaying drug companies by 12% because it cannot negotiate directly for the price of prescription drugs-- that money comes directly out of seniors' pockets and into the pockets of CEOs. H.R. 3962 will put seniors first!
- ✓ ***Makes Preventive Services More Affordable*** – H.R. 3962 will immediately eliminate co-pays and deductibles for routine checkups and preventive services in Medicare. This means no co-pays for immunizations, cancer screenings, cholesterol screening, bone calcium level screening and colonoscopies, among other things.
- ✓ ***Helps Seniors Prepare for Long Term Care Costs*** – H.R. 3962 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 after exhausting their life savings.
- ✓ ***Significantly Lowers Costs for Struggling Seniors*** – H.R. 3962 expands the Medicare Part D low-income subsidy, which will dramatically help struggling seniors afford their health care costs.

✓ ***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 and improve Medicare for generations to come.

✓ ***Keeps Nursing Homes Safe*** - H.R. 3962 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 not cared for by people who fail a background check for previous criminal activity or abuse.

✓ ***Helps 55-64 Year Olds Stay Healthy*** – H.R. 3962 helps ensure affordable and accessible health insurance coverage for 55-64 year olds by:

- ***Eliminating any pre-existing condition exclusion*** and requiring insurers to offer health insurance coverage to all individuals, regardless of health status.
- ***Establishing a “minimum 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. H.R. 3962 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 twice what insurers charge the youngest adults under H.R. 3962, a difference well below that which prevails in the individual health insurance market today. Additionally, H.R. 3962 will place an annual limit on out-of-pocket health costs (\$5,000/individuals, \$10,000/family).
- ***Making Health Insurance Affordable*** by including a public option in H.R. 3962. As the public health insurance option forces insurance companies to compete, prices of private health insurance will fall for everyone.
- ***Supporting Coverage for Retirees*** by creating a \$10 billion fund to help employers offset the costs of expensive health premiums for its 55-64 year old retired employees. Without assistance, 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'll be more likely to continue to offer coverage to this vulnerable population.

