

The Affordable Care Act (ACA)

Health Reform Fact Sheet

Benefits for Senior Citizens

Keeps all the traditional Medicare benefits.

- Makes Medicare more secure and controls rising costs.
- The ACA closes the Medicare Part D Prescription Drug Coverage Gap (the "Donut Hole")

Provides greater security for people purchasing private insurance.

- The ACA requires that insurance policies (including Medicare Parts A/B) cover recommended preventive care for adults with no co-pays or deductibles (2011).
- The ACA ends lifetime limits on private insurance coverage (2010) and ends annual limits on coverage (phased in up to 2014) – so seniors with expensive care do not get cut off from coverage after they hit the cap.
- The ACA ends the practice of denying private insurance coverage for adults with pre-existing conditions (2014).
- The ACA makes rescission illegal - this is the insurance company practice of dropping coverage when children or their parents become sick (2010).

Creates added health benefits for early retirees.

- If you are between 55 and 64 years old and have retiree health coverage through your work, you may have added protection. Offers incentives to employers who continue to cover early retirees (2010).
- The ACA creates health insurance exchanges so seniors who retire early or lose access to employer-sponsored insurance can easily compare different options and purchase private insurance. Subsidies are available for people with income less than 400 % of the federal poverty level (FPL) (2014).
- The ACA offers access to Medicaid for those whose incomes are 133% (or less) of the FPL (2014).

Long-term care improvements

- Provides more financial protections for spouses of people on Medicaid who receive care services at home (2014).
- Creates incentives to provide home and community-based services that allow seniors to stay in their homes
- Provides better information and accountability for nursing home care. It will be easier to file complaints about the quality of care in a nursing home. You will also have easier access to information on nursing home quality and resident rights.



The Medicare Part D “Donut Hole”

The Medicare Part D (Prescription Drug Coverage) Donut Hole is the coverage gap that exists when drug costs hit a maximum coverage cap (\$2,830 in 2010). Part D no longer covers any costs of drugs until costs reach a determined amount (\$4,550 in 2010) where catastrophic coverage kicks in and Medicare starts covering drug costs again. This can mean that seniors in the Donut Hole struggle to pay for their medications.

Improved medical care

- Focuses on health promotion, prevention and disease management.
- Studies and promotes the best ways to provide health care.
- Recognizes the central role of patients and – when appropriate – their families, as stewards of their own health.
- Promotes a team approach, with health professionals to guide and support patients and their families to help them with their own health and wellness goals.

The Affordable Care Act (ACA) will eliminate the Donut Hole in 2020. Until then, there is some relief for seniors in the Donut Hole:

- In 2010, rebate checks of \$250 were sent to Medicare recipients in the Donut Hole to help cover drug costs.
- In 2011, seniors will receive 50% discounts on their brand-name drugs while in the donut hole.
- From 2012 - 2019 the drug discounts increase for the donut hole.
- In 2020 the donut hole closes and seniors will pay not more than 25% for their prescriptions.

For more information and individualized assistance, please contact

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