



# The Aging and Health Care Reform

# What is the Affordable Care Act (ACA)?

The ACA is the nation's health reform law passed in March 2010.

Expands health insurance coverage to 30 million Americans

Increases benefits and lowers costs for consumers

Provides new funding for public health and prevention

Fosters innovation and quality in health care

# Core Areas of ACA

## Health Reform

### Health Insurance

### Health System

Expanded coverage

Increased benefits

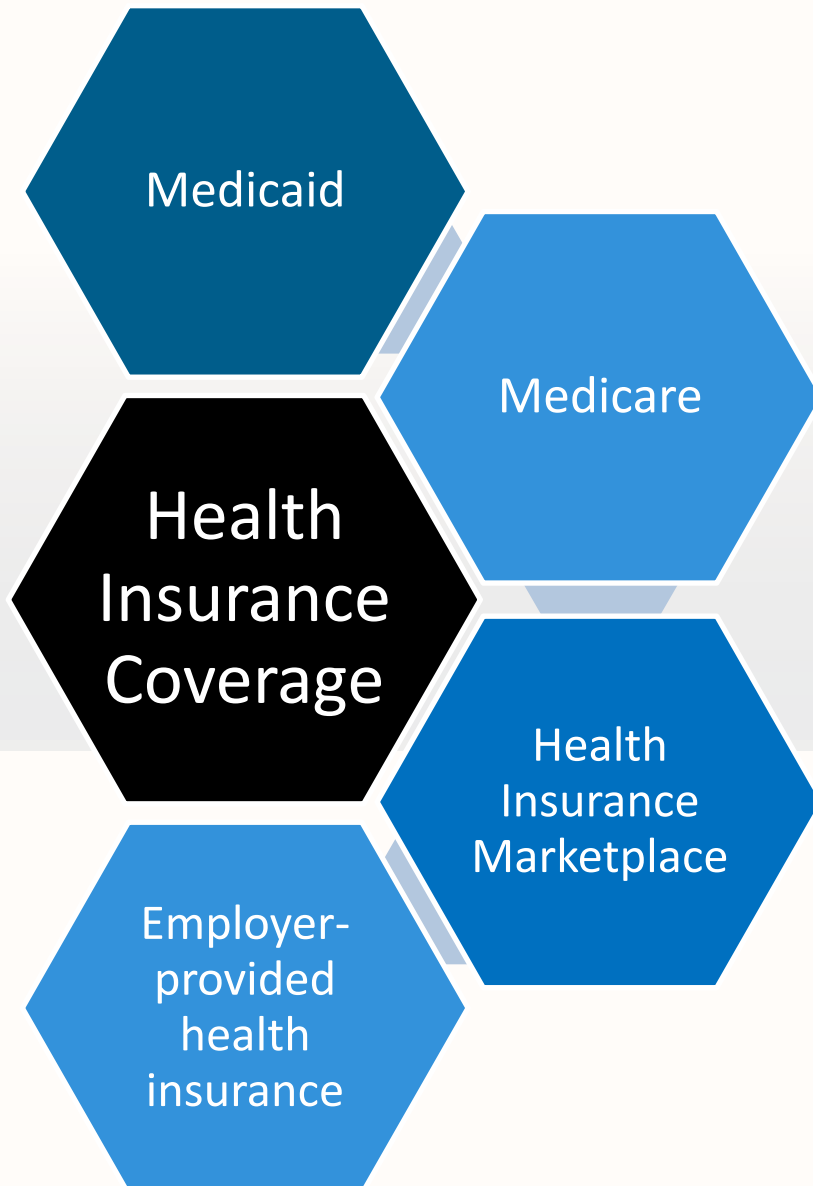
Lower costs

Improved quality & efficiency

Stronger workforce & infrastructure

Increased focus on public health & prevention

# Health Insurance Options



The ACA allows seniors to access health insurance through 1 of 4 ways.

# Medicare Benefits Expanded

Lower  
drug costs

Free preventative  
services

Reductions in the growth  
of health spending

- Medicare beneficiaries who fall into the coverage gap, known as the “donut hole”, automatically receive a 50% discount on prescription drugs.
- Medicare beneficiaries are eligible to receive many preventive services with no out-of pocket costs, such as mammograms, colonoscopies, and annual wellness visit.
- The life of the Medicare Trust fund will be extended to at least 2029 — a 12-year extension due to reductions in waste, fraud and abuse, and Medicare costs.

# The ACA and Medicare Advantage Plans

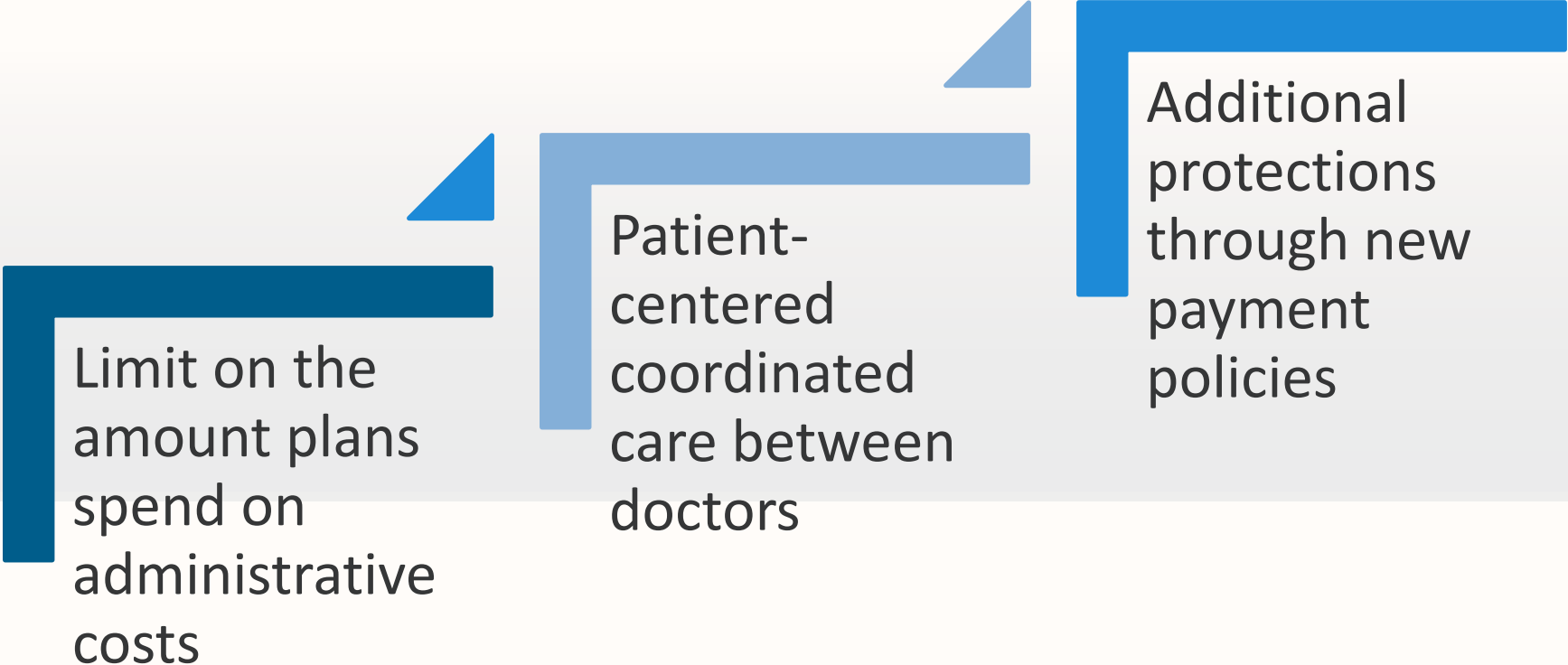
## The ACA does not eliminate Medicare Advantage plans.

- Medicare Advantage plans are privately administered plans that provide benefits to Americans with Medicare.

## The ACA requires plans to be more efficient.

- Plans have to provide higher-quality care at lower cost.
- Medicare Advantage plans cannot charge enrollees more than traditional Medicare for specialized services such as skilled nursing home care

# Improvements for Medicare Advantage Plan Members



Limit on the amount plans spend on administrative costs

Patient-centered coordinated care between doctors

Additional protections through new payment policies

# Medicare Fraud, Waste and Abuse

## New Resources and Tools

To protect taxpayer dollars

To prevent Medicare fraud



## Consequences and Enforcements

Tougher penalties for people who steal from Medicare

More law enforcement to identify criminals abusing the law and beneficiaries



## Supporting Technology

To prevent fraudulent payments from going out

To educate seniors and their networks about how to stop Medicare fraud



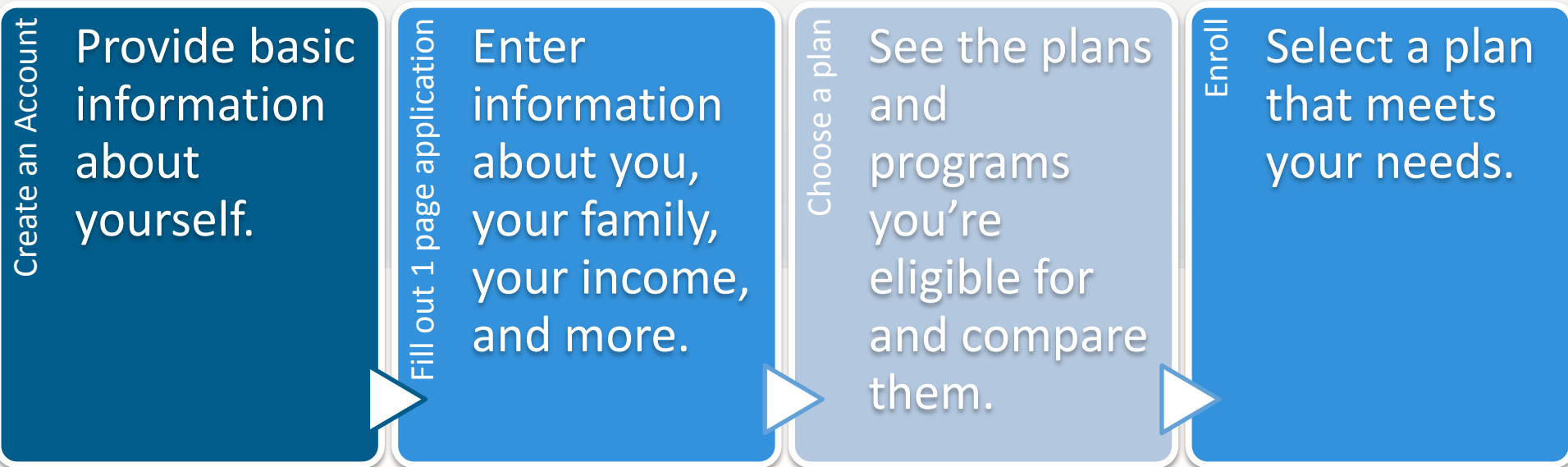
# Health Insurance Marketplace

Medicare is not  
part of the  
Health Insurance  
Marketplace

The Marketplace will  
help seniors make  
decisions that are right  
for them, whether they  
need coverage or  
already have it.

# Health Insurance Marketplace

Open enrollment in the Marketplace begins on October 1, and new coverage can take effect as soon as January 1, 2014.



# Your Job & Health Care Reform

- Small businesses that already provide health insurance will not be affected.
- Many small companies will be eligible for tax credits to offset the burden of providing insurance
  - Companies with fewer than 25 full-time employees whose average annual salaries are less than \$50,000.
  - Companies with more than 50 workers that don't provide coverage will be subject to a fine of \$2,000 to \$3,000 per employee per year.
- Older adults who are part-time or self-employed can obtain coverage through the Marketplace.

# Fines

- If you can't afford health insurance because of financial hardship (if the cheapest plan exceeds 8 percent of your income), you will be exempt from the tax penalty.
- Special taxes (from \$95 the first year to \$695 a year by 2017) will be phased in over the next seven years for those who choose not to get health insurance.
- The government will not criminally prosecute or place property liens on people who ignore the tax.

# Health Insurance Coverage and Challenges Older Adults Face

## Challenge

- Some older adults may not be able to receive employee health benefits through their employer.

## Solution

- The Medicaid expansion may offer coverage options for these older adults.

## Challenge

- Some older adults work for small business employers who are less likely to offer health insurance.

## Solution

- Small Business Health Options Program allows eligible small businesses to purchase qualified coverage for their employees
- ACA makes tax credits available to encourage small employers to offer health coverage.

# Health Insurance Coverage and Challenges Older Adults Face

## Older Adults Experience Shifts in Coverage with Retirement

- Some older adults delay retirement to maintain health insurance.
- Some older adults are leaving the workforce and retiring earlier than intended due to health problems, layoffs, or business closures.

## The Early Retiree Reinsurance Program helps employers sustain coverage for early retirees

- For early retirees who have difficulty accessing or affording health insurance, the Medicaid expansion in 2014, will provide some relief.

# Reaching Out to Medicare Beneficiaries

- The Centers for Medicare and Medicaid Services (CMS) sent out a 'Frequently Asked Questions' Affordable Care Act mailing in 2010.
- CMS launched an educational media campaign so seniors could learn the facts about the new law and not fall prey to scam artists.

## The ACA Benefits Seniors



Many seniors are already benefiting from provisions of the law such as receiving preventive services and paying lower Medicare prescription drug costs.



# Resources

Learn important news and information about health insurance from [Healthcare.gov](https://www.healthcare.gov).

Get the facts about [the Affordable Care Act with fact sheets from AARP](#).

The [Health Insurance Marketplace](#) is a new way to get coverage that meets your needs.

See if your state is expanding Medicaid. [View the map](#).

# For More Information

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Thank You