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How the new health care bill will affect seniors' Medicare benefits

The Patient Protection and Affordable Health Care Act of 2010 has engendered a firestorm of public outcry since its signing. This comprehensive and lengthy bill affects many Americans; however senior citizens have been among the most vocal about their fears of what effect this law will have on their Medicare benefits. The National Academy of Elder Law Attorneys (NAELA) has provided their members with a listing of some of the provisions that will affect seniors. Medicare beneficiaries will see, if they examine the actual provisions that are part of this new law, they will benefit rather than be harmed.

In regards to Medicare, health care reform will extend the life of the Medicare Trust Fund. Without some type of intervention, the trust fund was projected to be depleted by 2017. One way this will be done is to reduce payments to Medicare Advantage Plans (Part C plans) to make the payments equal on average to payments made on behalf of beneficiaries on traditional Medicare. Medicare Advantage plans provide Medicare benefits through private insurers, rather than the traditional fee-for-service Medicare run by the federal government since 1965. On average, Medicare Advantage plans receive \$135 per beneficiary per month in excess of traditional Medicare. Those on traditional Medicare are paying more to subsidize these private insurance plans. These subsidies are unsustainable, and are threatening the future of the Medicare Trust Fund. If you wish to learn more about how the private Medicare insurance plans are working now, go to www.elderlawanswers.com and search on articles related to Medicare Advantage plans. Controlling the subsidies to these plans will benefit all Medicare beneficiaries. No cuts to guaranteed Medicare benefits are permitted under this law.

There are also provisions in the health care reform bill to slow the rate of growth of Medicare premiums by testing new care delivery models to focus on quality rather than quantity by reducing fraud, abuse and poor care. Out-of-pocket expenses for prevention and wellness services will be reduced, and a free annual check-up for Medicare beneficiaries will now be included. Furthermore, the doughnut hole in the Medicare Part D will be eliminated by 2020, including provision for a \$250 rebate to those beneficiaries who reach the coverage gap in 2010.

Long term care is addressed, including a provision for the government to collect and report information on nursing homes that will be meaningful to families that seek care for loved ones. Criminal background checks will be required on employees of long term care facilities. Money is being provided for Elder Justice, to reduce the alarming incidence of elder abuse, neglect and exploitation, not just in nursing homes, but in the community.

There is a provision to establish the Community First Choice Option, so that more people can stay home, where they want to be, but with affordable assistance. There will be spousal impoverishment protections for spouses of Home and Community based waiver participants, to encourage families to keep loved ones home and out of the nursing home by providing adequate assistance. There is also a provision for creation of a Community Living Assistance Services and Supports (CLASS) program which is a national long term care insurance program funded by voluntary payroll deductions.

The provisions of the health care reform bill briefly discussed here are just a part of a much more extensive health care reform plan. However, seniors should be aware that they will lose no real benefits, and will see improvements in Medicare in the years to come.