

**Health Care Reform's Impact on Seniors**  
**Ohio Department of Aging**  
**April 29, 2010**

**If you are on Medicare**, your guaranteed Medicare benefits are protected and you will receive improved benefits. Changes to Medicare will lower the out-of-pocket cost for prescription drugs you need to stay healthy and expand the preventive care you can get for free, while making sure you can continue to see your doctor.

**Long-term Care Services & Supports**

It will be easier for individuals on Medicaid to get care in their own homes and communities. In 2014, spouses of people on Medicaid home care will have the same protections for income and other resources as do spouses of people on Medicaid who live in a nursing home. They will no longer be forced to spend-down into poverty before they get help.

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For people who are still working, the law creates a new national insurance program called **CLASS (Community Living Assistance Supports and Services)** to help them pay for long-term care at home. Full- and part-time workers will pay into the program through *voluntary* payroll deductions. As currently written, the law requires part-timers to earn enough annually to pay Social Security taxes, a threshold that's now at about \$1,200. The self-employed and anyone whose employer declines to offer Class coverage will be able sign up through a yet-to-be-determined mechanism.

If consumers reach a point where they can't perform basic activities of daily living, such as eating, dressing, or bathing, or if they have certain mental impairments such as Alzheimer's disease, they'll be eligible to receive an average minimum benefit of \$50 a day. They can use this benefit to pay for whatever non-medical services they need to stay at home (e.g., paying a family member for assistance, making home modifications or getting transportation).

Individuals must have contributed to the program for at least five years to draw benefits. This means that the earliest that services can be accessed is 2016.

CLASS does not replace the need for basic health insurance. CLASS does not affect Medicaid eligibility.

CLASS will go into effect on January 1, 2011, but the secretary of Health and Human Services doesn't have to present full rules and regulations until October 2012.

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Consumers will have access to more information about nursing home quality and resident rights. It will be easier to file complaints about the quality of care in a nursing home.

**Medicare Part D Prescription Drug Costs**

More than 8 million seniors in 2007 hit the "donut hole," which is the gap in prescription drug coverage in Medicare Part D. The new law gradually closes the coverage gap, so consumers will no longer have a period where they have to pay 100 percent of their drug costs. In 2010, people who hit the gap will **automatically** get a one-time \$250 rebate. Beginning in 2011, people in the coverage gap will be able to purchase brand-name drugs at half the current price and receive a 7 percent discount on generic prescription drugs. The gap gradually will be eliminated by 2020. The law also improves the program that reduces drug costs for seniors with limited means and makes it easier to appeal coverage denials.

## **Better Chronic Care**

More than 90 percent of Medicare costs are spent on treating chronic conditions. The new law funds community health teams, medical homes and care coordination to improve the quality of care that seniors receive and provide patient-centered care to better control chronic medical conditions such as heart disease, high blood pressure and diabetes.

The law also links payments between hospitals and other care facilities to promote coordinated consumer care after discharge from the hospital and to encourage investments in hospital discharge planning and transitional care. This will help consumers return home from the hospital successfully, and avoid going back, by teaching self-care and connecting them to services and supports in their community.

**Better Preventive Care** - Consumers will receive a free annual wellness visit. There will be no out-of-pocket costs under Medicare for preventive benefits, such as cancer and diabetes screenings.