

Medicare under the Affordable Care Act

By Wesley E. Wright and Molly Dear Abshire, as published in the Houston Chronicle Senior Living Section on September 09, 2012.

Political rhetoric during a presidential election year and misinformation surrounds the Affordable Care Act (ACA) and has fueled fears among millions of Americans, namely those who depend on Medicare and Medicaid programs for health care and survival.

However, "ObamaCare," as referred to by many, implements a number of positive changes for seniors 65 and older.

Medicare is the federal health-care plan for senior citizens 65 or older, people under 65 with certain disabilities and people of any age with End-Stage Renal Disease. It is not means tested.

Medicaid is the joint state-federal program for people with disabilities, seniors, poor and low-income Americans and is means tested. Though Texas has the highest numbers of uninsured, Gov. Rick Perry may opt out of the Medicaid expansion portion of the ACA. In which case, the federal government will by law have to pay for our state's expanded Medicaid coverage.

Medicare has four parts: Part A (hospital insurance), Part B (medical insurance) Part C (Medicare Advantage) and Part D (prescription drug coverage). Part A helps cover hospital and skilled nursing stays, hospice and home health care. Most people don't pay a premium for this because they or a spouse paid Medicare taxes while working in the US. Though, it is available for a premium for those who don't automatically qualify. The ACA created the Community Care Transitions Program that helps high risk Medicare beneficiaries who are hospitalized avoid unnecessary readmissions through coordinating care and linking patients to services in their community.

Part B covers doctors' and other health care providers' services, outpatient care, medical equipment and home health care. Under the ACA, eligible seniors may seek fully covered preventative care services, including annual wellness visits, mammograms and other cancer screenings, diabetes and cholesterol checks, as well as flu, pneumonia and Hepatitis B shots. The standard monthly Medicare Part B premium is paid by most people, and Medigap policies are still available for filling gaps in traditional Medicare coverage.

Part C, or Medicare Advantage, offers Medicare-approved plans from private insurance companies. Most plans cover prescription drug coverage, and some may include extra benefits for an extra cost. In 2014, additional protections will begin for Medicare Advantage plan members that will limit the amount these plans spend on administrative costs, insurance company profits and things unrelated to health care.

It comes as a relief that existing Medicare coverage won't be reduced or taken away, nor will the ability to choose one's own doctor.

Changes to Medicare Part D, or prescription drug coverage, include a one-time, tax free \$250 rebate to help struggling seniors (who were in the "donut hole" in 2010) pay for their prescriptions, as well as a 50 percent discount on name-brand and generic drugs purchased while in the "donut hole," which the new law closes by 2020.

In order to streamline and strengthen Medicare, the health care law tackles waste, fraud and abuse, as well as slowing cost growth. The new law makes a \$350 million commitment to prevent, root out and fight fraud in Medicare and Medicaid.