

Affordable Care Act

What the repeal of the Affordable Care Act means if you are a Minnesota senior

The Patient Protection and Affordable Care Act (ACA) introduced major changes to the U.S. health care system. It brought changes to Medical Assistance (Medicaid) and Medicare, as well as to health policy and health insurance.

Currently, the Federal government is talking about changing or repealing (ending) the ACA. No changes have been made—yet. The information below summarizes how seniors in Minnesota *could be affected* if the ACA ends. The information will be updated as changes are made.

Coverage for Medicare services

TODAY

- **No coinsurance or deductibles** for most Medicare preventive care
- **Free annual wellness visit** and personalized prevention plan
- People with Medicare Advantage plans **can't be charged more** than those with Original Medicare for chemotherapy, dialysis or skilled nursing care.
- Medicare Advantage plans must spend **85¢/dollar on health care**.

WITHOUT THE ACA

- **No** free Medicare preventive care
- **No** free annual Medicare wellness visits
- People with Medicare Advantage plans **may have to pay more** for chemotherapy, kidney dialysis and skilled nursing care.
- Medicare Advantage plans can **spend less on care** and more on administration.

Medicare prescription drug costs

TODAY

- People who reach the Part D doughnut hole **pay less**.
- **No copay** for those with Medicare and Medical Assistance (MA) who use home and community based services

WITHOUT THE ACA

- Doughnut hole would not close and reduce out-of-pocket costs—**people would pay more**.
- If you have Medicare and MA and use home and community based services, you will **pay more for Medicare Part D**.

Program quality

TODAY

- Medicare Advantage plan star rating system **rewards high performers**
- **Penalties** for hospital readmissions
- Accountable Care Organizations (ACOs) = **high quality care** for Medicare patients
- Value-based purchasing program pays hospitals based on **performance**
- Mandatory physician **quality reporting** program

WITHOUT THE ACA

- Star rating system could **end**
- Re-hospitalization **penalties and incentives could end**
- **Fewer** home and community-based services
- **Higher Medicare Part B premiums and deductibles**—premiums are based on Medicare's overall costs
- Possibly **no more ACOs** in Minnesota



Affordable Care Act (continued)

Cost controls

TODAY

- Advisory Board for **reduced Medicare spending**
- **Increased Part A payroll tax** on earnings
- **Eliminated retiree drug subsidy** for employers who provide creditable prescription drug coverage to Medicare beneficiaries
- Medicare Advantage costs similar to **average** Medicare costs by county
- Center for Medicare and Medicaid Innovations **reduces program expenditures** and improves quality of care
- **Income-based** monthly Part D premium
- Income levels for Part B **premiums frozen** at 2010 levels through 2019
- **Value-based** purchasing program for skilled nursing facilities, etc.
- Premium's for older adults (age 55 - 64) could be **three times as much** as younger people.

WITHOUT THE ACA

- **Higher** Medicare Part B premiums and deductibles
- **Elimination** of Center for Medicare and Medicaid Innovations
- **Decreased** Medicare Part B and D premiums
- Return of **retiree drug subsidy** for employers
- Premiums for older adults (age 55–64) could be **five times as much** as younger people's premium (proposed bill).

Fighting fraud, waste and abuse

TODAY

- Mandated **provider screening**
- Medicare and MA providers and suppliers **compliance programs**
- **Increased funding** for anti-fraud activities
- **Required documentation** for durable medical equipment and home health referrals
- Doctor and patient must **meet in-person** before patient can receive durable medical equipment or home health care services for Medicare or Medical Assistance
- **Penalties** for marketing violations by Medicare Advantage and Part D plans
- Penalties for **false claims**

WITHOUT THE ACA

- Potential **increased fraud, waste and abuse** without prevention measures in place

Other possible changes

TODAY

- Indian Health Services and AIDS drug assistance program payments count toward true out-of-pocket costs used to determine eligibility for **catastrophic coverage** under Part D
- Medicare Advantage & Part D Open Enrollment = **October 15–December 7**
- Medicare Advantage Disenrollment Period = **January 1 through February 14**
- Medicare Advantage Special Needs **Plans available**

WITHOUT THE ACA

- Indian Health Services or the AIDS drug assistance programs dollars paid **may no longer count** toward meeting true out-of-pocket costs
- Medicare Open Enrollment Period **dates could change**
- Medicare Advantage Special Needs **Plans could end** in Minnesota