

## HEALTH CARE BENEFITS FOR SENIORS IN 2011

On March 23, 2010, President Obama signed the Patient Protection and Affordable Care Act (PPACA). The Act provides numerous benefits for seniors. Here are the major changes for 2011.

### ***Free Medical Check Up under Medicare***

Prior to passage of the PPACA, Medicare allowed for a one-time free check up when seniors joined the Medicare program. Beginning in 2011, seniors will be able to get a free check up every year.

### ***Free Preventive Screenings***

Beneficiaries will no longer have to pay any cost sharing for Medicare covered preventive services that are recommended by the U.S. Preventive Services Task Force and rated A or B. The law also waives the Medicare deductible for colorectal cancer screening tests.

### ***Prescription Drug Discounts and Subsidies***

In 2011, the Medicare Part D drug benefit doughnut hole is from \$2840 to \$6447.50. When beneficiaries fall into doughnut hole, they must pay the entire cost of their prescription medications. Beneficiaries would not exit the doughnut hole until they have paid a total of \$4550 in out-of-pocket costs. Beginning in 2011, Medicare beneficiaries who fall in the Part D drug benefit doughnut hole will receive a 50% discount on the price of their **brand name** drugs. Beneficiaries who fall in the doughnut hole will also receive a 7 % government subsidy toward the cost of **generic** drugs.

### ***Medicare Advantage Changes***

Medicare Advantage (MA) plans are prohibited from imposing higher cost sharing requirements for some Medicare covered benefits than is allowed under the traditional Medicare fee-for-service program. Also, Medicare will begin to phase out overpayments to MA plans by freezing MA payments in 2011 at the 2010 level. MA plans are paid on average 14% more than traditional Medicare; thus the government pays these plans over \$1000 more per person each year than traditional Medicare. The overpayments also raise Part B premiums for seniors and the disabled, including those not on MA plans, by \$90 per couple a year. The PPACA restructures government payments to Medicare Advantage plans to keep them more in line with those of traditional Medicare. The reductions in overpayments will extend the solvency of the Medicare Trust Fund by 12 years according to the Medicare actuaries.

### ***Bonus for Primary Care Providers under Medicare***

Primary care providers will receive a 10% bonus payment for primary care services under Medicare; also, general surgeons practicing in health professional shortage areas will receive a 10% Medicare bonus payment.

### ***Medicaid Long Term Care Services***

Beginning October 1, 2011, the State Balancing Incentive Program in Medicaid will go into effect to provide enhanced federal matching payments to increase non-institutionally based long term care services.

### ***Community First Choice Act***

On October 1, 2011, the Community First Choice Option in Medicaid will provide community-based attendant support services to people with disabilities who require institutional level of care. States will receive an enhanced federal match of 6 percent for reimbursable expenses.

For more information about the Medicare benefits that go into effect in 2011, go to:

<http://healthreform.kff.org/timeline.aspx>  
or visit: <http://www.healthcare.gov/foryou/seniors/index.html>

To view the Medicare 2011 handbook visit:  
<http://www.medicare.gov/publications/pubs/pdf/10050.pdf>

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