

# AFFORDABLE CARE ACT

March 2014

## HOW THE HEALTH CARE LAW BENEFITS SENIORS AND IMPROVES MEDICARE

- **Reduces prescription drug costs for seniors.** Since the health care law was enacted, more than 7.3 million seniors in the Medicare Part D ‘donut hole’ coverage gap have saved \$8.9 billion on prescription drugs, an average savings of \$1,209 per person. The health care law completely closes the donut hole by 2020. It is estimated that seniors in the ‘donut hole’ will save an average of over \$18,000 on their Rx drugs from the law’s enactment through 2022.
- **Provides free Medicare coverage of key preventive services,** such as mammograms and colonoscopies. Before reform, some services could have a co-pay as high as \$160. 34.1 million seniors received one or more free preventive services in 2012.
- **Provides a free Annual Wellness Visit under Medicare.** More than 4.4 million seniors have already had a free Annual Wellness Visit under Medicare.
- **Provides additional savings for seniors, including stable and lower premiums and a lower deductible.** The premium for Medicare Part B will not go up in 2014 – remaining at \$104.90. Since enactment of the ACA, average Medicare Advantage premiums are down by nearly 10 percent. Also, the Medicare Part B deductible is actually decreasing in 2014.
- **Strengthens Medicare and extends the solvency of the Medicare Trust Fund by nearly a decade.** The law’s reforms strengthen solvency by squeezing waste out of the system and making it more efficient, without reducing benefits.
- **Provides new tools and enhanced authority to crack down on fraud in Medicare,** and, over the last five years, a joint anti-Medicare fraud task force of HHS and the Department of Justice has recovered more than \$19 billion in fraudulent Medicare payments on behalf of taxpayers, doubling the amount recovered over the five years prior – and the anti-fraud crackdown continues.