



Statement of the Leadership Council of Aging Organizations

Medicare and the Affordable Care Act

February 10, 2011

The Leadership Council of Aging Organizations (LCAO) is a large coalition of national not-for-profit organizations representing nearly 60 million seniors. Our 65-member association is diverse and dedicated to preserving and strengthening the well-being of America's older population. We provide a voice for seniors and their families in the ongoing national debate on aging policy. We submit these comments to the Health Subcommittee, House Committee on Ways and Means, with regard to the Hearing on the Health Care Law's Impact on the Medicare Program and its Beneficiaries.

The health reform legislation passed last year, the *Patient Protection and Affordable Care Act of 2010*, Pub. L. 111-148, and the *Health Care and Education Reconciliation Act of 2010*, Pub. L. 111-152, collectively referred to as the Affordable Care Act, has already begun to provide important benefits for seniors and their families. Among the significant changes for seniors, the Affordable Care Act:

- Strengthens and improves Medicare by, among other things:
 - Improving Medicare's fiscal health and extending the solvency of the Medicare Trust Fund.
- Closes Medicare's "doughnut hole" drug coverage gap for all beneficiaries.
- Eliminates cost-sharing for preventive services and adding coverage for a new annual wellness visit.
- Establishes new service delivery systems that focus on coordination of care, which studies show can reduce health care expenditures, improve quality of care and enhance health outcomes.
- Strengthens the fight against fraud, waste and abuse.
- Provides new Medicaid options to allow older people with chronic conditions to live at home rather than in institutions.
- Allows all Americans to remain in their homes as they age by establishing the CLASS program to help pay for long-term services and supports.

The Affordable Care Act also provides significant improvements for all Americans, including:

- Extending dependent coverage to children up to age 26.
- Eliminating lifetime limits on health insurance coverage and barriers to preventive care.
- Providing tax incentives to small businesses so they may offer health care coverage to their employees.
- Helping early retirees keep their health care coverage by reimbursing employers for a portion of those costs.
- Cracking down on insurance company abuses, such as denying affordable coverage because of age, gender, or health status.
- Extending health insurance coverage to the growing millions of Americans who do not have access to health insurance.
- Through the Elder Justice Act provisions, strengthening states' adult protective services (APS) and other agencies that investigate abuse and neglect in facilities and in the community, including improving the training of long-term care ombudsmen and state health inspectors, requiring reporting of neglect and abuse, and ensuring that residents are protected when nursing homes close.

Millions of Americans have already benefited from provisions of the Affordable Care Act, including millions of seniors who received \$250 towards the cost of their prescription drugs when they entered the Part D doughnut hole. The economic and physical health of seniors and their families will continue to benefit as the law is implemented further. We urge you not to deprive them of the protections created by the Affordable Care Act, and to support continued implementation of this important law.

Barbara B. Kennelly
Chair, Leadership Council of Aging Organizations