



AARP®

HEALTH  
CARE *and you*

**The New Health Care Law:  
What it Means for  
People with Medicare**

# Welcome

- Why AARP is doing this webinar
- How you can participate in this webinar

## AARP Webinar Leaders



**Kelley Coates-Carter**  
(Moderator)  
Manager, Consumer  
Issues



**Frank Bailey**, Director,  
Education & Outreach  
Health Team



**Anna Howard**, Senior  
Legislative Representative,  
Federal Affairs Health Team

## Agenda

- Overview of the new health care law for Medicare beneficiaries
- Improvements and changes to Medicare Part D drug plans
- Improvements and changes to Medicare Advantage plans
- Your questions answered

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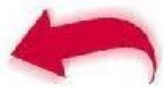


health care law

### RESOURCES

Webinar: Protect Yourself From Health Care Fraud

[See all webinars](#)



**Learn about future webinars on other aspects of the new health law**

Fact Sheet: How the New Law Benefits You (PDF)

[See all fact sheets](#)



**Print out fact sheets on specific benefits of the law**

## How the Law Improves Medicare Benefits

- Protects guaranteed Medicare benefits
- Improves and expands Medicare benefits
  - Lowers out-of-pocket prescription drug costs
  - Adds free Medicare-covered preventive care benefits

## What is the Doughnut Hole?

- Medicare Part D coverage gap
  - You fall into the doughnut hole when your total drug costs exceed \$2,830
  - While in doughnut hole you pay premiums, plus full price for drugs
  - You leave the doughnut hole when your total drugs costs reach \$4,550

## The Part D Doughnut Hole



## This Year's \$250 Rebate

- You get a \$250 check *if* you reach the doughnut hole in 2010
- Rebate is automatic—no application
- Check is sent to your Social Security address
- Scammers are active—beware!

***Call Medicare at 1-800-633-4227***  
***[www.stopmedicarefraud.gov](http://www.stopmedicarefraud.gov)***

## Doughnut Hole Will Gradually Disappear

- In 2011, you receive 50% discount on brand name drugs; 7% discount on generics
- By 2020, the coverage gap will disappear
- Part D cost sharing will remain

**AARP's Doughnut Hole Calculator**  
***[www.aarp.org/doughnuthole](http://www.aarp.org/doughnuthole)***



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## DOUGHNUT HOLE CALCULATOR (2010 PLAN YEAR)

1 SELECT PLAN

2 ENTER DRUGS

3 VIEW REPORT

4 SEE OPTIONS

POWERED BY  
Destination<sup>®</sup>

English (US) ▾

### STEP 1: SELECT YOUR PLAN

#### WANT TO AVOID THE MEDICARE DRUG COVERAGE "DOUGHNUT HOLE"?

If you have Medicare Part D, you may be at risk of falling into the coverage gap, or "doughnut hole." Follow this four-step tool and save money!

ZIP Code:

SEARCH



#### This is how the Doughnut-Hole Calculator works:

1 SELECT PLAN

Gather your medications and drug plan card before you start. Then enter in your zip code and select your plan from the list.

2 ENTER DRUGS

Enter the name of each of your drugs, its dosage, and how often you take it.

3 VIEW REPORT

View a chart for the year to see if you're likely to hit the doughnut hole.

4 SEE OPTIONS

Explore a list of alternative drugs that are therapeutically similar to those you take now but could reduce your expenses and stretch your coverage. Print out a form letter to ask your doctor whether switching to the lower-cost drug(s) would work for you.

## Adds Free Preventive Care Benefits

- Annual wellness visit
- Screenings for diabetes and certain cancers
  - Includes mammograms, colonoscopies and other preventive screenings
- No copayments or deductibles for Medicare-approved preventive care

***Call Medicare at 1-800-633-4227***

***[www.medicare.gov](http://www.medicare.gov)***

## Improves Access to Primary Care Doctors

- Primary care doctors who treat people with Medicare get bonus payments
- Medicare gives extra payments to health providers in areas of the country with shortage of providers

## What are Medicare Advantage Plans?

- Medicare Advantage plans are an alternative to Original Medicare
- Medicare Advantage plans are offered by private insurance companies
- Plans pay for the same basic health care services as Original Medicare, but may also pay for additional services

## How the Law Changes Medicare Advantage Plans

- Essential, guaranteed Medicare benefits are protected
- Medicare Advantage plans will not change this year
- You can still choose either a Medicare Advantage plan or Original Medicare

## Medicare Advantage Plans

### ➤ More emphasis on quality and value:

- Plans will get bonus payments for providing quality care; must use some of the bonus for extra benefits and rebates to people with Medicare Advantage
- Plans cannot charge more than Original Medicare for certain services
- Plans must limit how much they spend each year on administrative expenses

*[www.medicare.gov](http://www.medicare.gov)*

## Medicare Advantage Plans

### ➤ How Medicare Advantage plans are paid

- Subsidies that Medicare currently pays to private insurance companies will be lower in the future to bring payments more in line with Original Medicare
- Changes in Medicare Advantage payments will result in significant savings to the Medicare program

## Medicare Advantage Plans

### ➤ **What lower subsidies could mean**

- Some plans may drop extra services
- Some plans may raise their premiums and co-payments
- Others may even decide to leave the Medicare program

## Medicare Advantage Plans

### ➤ What lower subsidies could mean

- Participants will receive a notice of what changes, if any, will take place for next year
- Participants can stay with their plan, switch to a different plan, or go to Original Medicare

***Contact your Medicare Advantage plan or  
call Medicare at 1-800-633-4227  
[www.medicare.gov](http://www.medicare.gov)***

## Other Changes to Medicare

### ➤ Income-related premiums

- Income-related premiums will apply to those who have Part D prescription drug coverage in 2011
- Income levels for higher premiums start at
  - \$85,000 for a single person
  - \$170,000 for married couples filing joint tax returns

## Other Changes to Medicare

### ➤ Reduces waste, fraud and abuse

- Cut inefficient care
- Identify fraudulent providers
- Reduce overpayments to insurance companies
- Protect the privacy of consumers' personal information

***Call Medicare at 1-800-633-4227***

## Key Points to Remember about the New Health Care Law

- Helps lower your prescription drug costs
- Protects guaranteed Medicare benefits
- Improves and expands Medicare-covered benefits
- Makes some changes to Medicare Advantage plans
- Reduces waste, fraud and inefficiencies

## For More Information

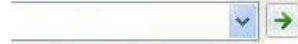
- **On the new health care law**  
[www.aarp.org/getthefacts](http://www.aarp.org/getthefacts)  
[www.aarp.org/consigarespuestas](http://www.aarp.org/consigarespuestas)

- **On Medicare**

- **Call 1-800-633-4227 or**
- **Visit [www.medicare.gov](http://www.medicare.gov)**
- **Visit [www.aarp.org/medicareinteractive](http://www.aarp.org/medicareinteractive)**



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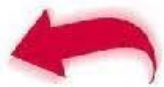


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# Medicare Interactive

Helping you escape the healthcare maze



Medicare Interactive (MI) is a resource of the [Medicare Rights Center](#).

➔ Before using the tools below, pick your state at the top right corner. This will give you easy access to the resources in your area.



## MI Counselor

Find expert information and advice on Medicare.

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## Q&A with Webinar Leaders



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