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## ObamaCare's Impact on Seniors

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Since the health care bill was signed into law earlier this year, the Obama Administration has been attempting to convince seniors that this new law will improve their medical coverage. As part of that effort, the Department of Health and Human Services (HHS) over the summer distributed a mailer to all Medicare beneficiaries, which listed the new law's "benefits" for seniors. More recently, HHS also released a [TV commercial featuring Andy Griffith](#) – at a cost of \$700,000 for U.S. taxpayers - touting the idea that "more good things are coming" as a result of the new health care law.

In spite of this expensive, taxpayer-funded propaganda designed to increase support for ObamaCare, seniors remain firmly opposed to the health care takeover. According to a recent Rasmussen poll, [seniors are opposed to ObamaCare by nearly a 2-to-1 ratio](#). One of the reasons for the strong opposition is that the new law imposes steep cuts in Medicare. The cuts to Medicare will reduce seniors' choices and control over their health care, while also dramatically increasing their personal, out-of-pocket costs.

### ***Gutting Medicare's free-market program: Medicare Advantage***

Perhaps the most troubling aspect for seniors is the law's cut to Medicare Advantage, the market-oriented program of Medicare. ObamaCare mandates a cut of \$548 billion to this particular program. Medicare Advantage (MA) is one of the most popular aspects of Medicare because of the unique ways it empowers seniors to exercise choice in their health care decisions. Under Medicare Advantage, seniors can voluntarily enroll in a private insurance plan to supplement their Medicare coverage. These MA plans are attractive to Medicare beneficiaries because of the additional benefits they provide (dental and vision care, for example). More than 10 million Medicare beneficiaries have chosen to enroll in Medicare Advantage because of the enhanced benefits it offers.

ObamaCare's cuts to Medicare Advantage will begin in January of 2011 by freezing payment rates at 2010 levels. Between 2012 and 2017, ObamaCare establishes a new regional-based formula for setting maximum MA payments, which will significantly lower MA payments across the country.

Because of the new law's cuts to Medicare Advantage, many companies that offer MA plans are already making major adjustments to their coverage features, including raising premiums, increasing seniors' deductibles, or even discontinuing their programs altogether. On September 28<sup>th</sup> [The Boston Globe](#) reported that Harvard Pilgrim Health Care, which is the second-largest health insurer in Massachusetts, is discontinuing its Medicare Advantage program entirely at the end of this year. As a result, Harvard Pilgrim Health Care's 22,000 MA enrollees in

Massachusetts, New Hampshire, and Maine will have to find alternative supplemental Medicare coverage.

When Congress was debating the health care bill, conservatives raised concerns that Americans would lose their current coverage as a result of ObamaCare. The President, on more than one occasion, [promised](#) that anyone who liked his or her current coverage would be able to keep it. Now seniors with Medicare Advantage plans are learning how shallow and short-lived President Obama's political promise was.

Unfortunately, the reductions in Medicare Advantage payment rates and services covered will affect low-income seniors the most. Retirees who previously worked for large corporations or in government positions are often able to take advantage of special retirement programs that provide enhanced coverage. Of course, retirees with higher incomes are able to purchase more expensive coverage to supplement their Medicare benefits. Lower-income seniors, who often live on fixed incomes, more heavily rely on Medicare Advantage for improved Medicare coverage. In fact, it is estimated that nearly 70% of the Medicare Advantage cuts will impact seniors with incomes below \$32,400.

### ***Limiting Seniors' Access to Care***

Besides hurting lower-income seniors, one of the other unintended consequences of the enhanced bureaucracy and numerous regulations established in ObamaCare will be a severe shortage of doctors - particularly doctors who will accept Medicare patients.

ObamaCare requires a 30% payment cut for Medicare reimbursements to doctors, effective in January 2011. According to a study commissioned by the American Osteopathic Association, fewer than half of physicians say they will be able to continue seeing their current Medicare patients next year. The present Medicare reimbursement rates are so low that many doctors are unable to see Medicare patients, and this law only exacerbates the problem. Doctors, without the possibility of breaking even on Medicare patients, will quickly discontinue accepting seniors with Medicare. This anticipated doctor shortage will create significant hardships for retirees by reducing access to medical specialists, creating longer wait times to see a physician, and requiring seniors to drive farther distances to see a doctor who accepts Medicare.

On March 9<sup>th</sup> of this year, Speaker Nancy Pelosi made the [disconcerting comment](#), "We have to pass the bill so you can find out what's in it." Indeed. It seems since the bill passed in March, there have been new revelations every week about ObamaCare's damaging effects for American taxpayers, business-owners, families, and now, seniors.

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### ***About the Article:***

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