AMERICA'S AFFORDABLE HEALTH CHOICES ACT

QUALITY AFFORDABLE HEALTH CARE

HEALTH REFORM AT A GLANCE:
STRENGTHENING MEDICARE

For more than 40 years, Medicare has offered critical health and financial stability for senior citizens, people with disabilities and those with end-stage renal disease, providing coverage for over 45 million individuals this year. America's Affordable Health Choices Act contains substantial payment and delivery system reforms that reward efficient delivery of quality care and change the incentives in today's health care system to encourage value instead of simply volume. It makes investments that will enable beneficiaries to continue to access high-quality, affordable care, while encouraging prevention and care coordination for those with chronic conditions. These efforts will help modernize the program and strengthen Medicare's financial health, protecting both beneficiaries and taxpayers.

IN MEDICARE, THE LEGISLATION INCLUDES THE FOLLOWING PROVISIONS:

PRIMARY CARE, COORDINATED CARE, AND MENTAL HEALTH SERVICES

- Reforms the sustainable growth rate system in Medicare's physician fee schedule to:
  - Eliminate the 21% cut in physician fees planned for 2011 and put physician payments on a sustainable path for the future
  - Reward primary care, coordination, and efficiency
- Increases reimbursement for primary care services and encourage training of primary care physicians
- Expands programs that reward physicians for spending time coordinating care for their patients
- Encourages more collaboration and accountability among providers via bundling of payments and advancing of Accountable Care Organizations
- Extends key protections for rural providers to ensure access to care in rural areas
- Improves access to mental health services

AFFORDABILITY AND QUALITY OF CARE

- Fills the "donut hole" in Medicare Part D (prescription drug benefit) by combining PhRMA's proposal to discount brand-name drugs in the donut hole with additional policy that fully eliminates the "donut hole" over time
- Eliminates cost-sharing for preventive services in Medicare
- Limits cost-sharing requirements in Medicare Advantage plans to the amount charged for the same services in traditional Medicare coverage
- Improves the low-income subsidy programs in Medicare by:
  - Increasing asset limits for programs that help Medicare beneficiaries pay premiums and cost-sharing
  - Improving the Part D benefit for people dually eligible for Medicare and Medicaid
  - Extending the Qualified Individual program for low-income Medicare enrollees
- Enhances access to care for beneficiaries with limited proficiency in the English language
- Enhances nursing home transparency and accountability requirements related to resident protection and quality of care

EXTEND PROGRAM SOLVENCY BY FIVE YEARS OR MORE

- Improves payment accuracy to ensure that the right amount is paid
- Expands funding and authority to fight waste, fraud and abuse
- Eliminates overpayments to private plans

PREPARED BY THE HOUSE COMMITTEES ON WAYS AND MEANS, ENERGY AND COMMERCE, AND EDUCATION AND LABOR
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