



## Health care reform stalls: What's at stake for older adults?

Members of Congress are likely to repackage and resell health care legislation before they face the voters in the fall. At this historic moment, aging advocates can't afford to leave beneficial reforms on the table. What's at stake for older adults?

Even before voters in Massachusetts reset the clock on health care reform by electing a candidate opposed to the reform bills, cost had emerged as a pivotal battle. The Senate bill was designed to extend health care to 31 million people who have none, to prevent insurance companies from denying coverage based on pre-existing medical conditions, and to slow the medical spending growth rate. To pay for health reform, Senate Democrats asked for tax increases, while Republicans wanted to decrease subsidies. A tax on employer-provided health benefits became part of that discussion.

The House version of reform would have extended insurance coverage to 37 million Americans over the next decade, covering more people through Medicaid and providing subsidies to help others meet a mandate to purchase insurance. The House would pay for the coverage by reducing spending on federal health programs, primarily Medicare, and by taxing wealthy families' earnings.

See a side-by-side [comparison](#) of the House and Senate bills.

If Congress passes a bill improving the nation's \$2.3 trillion health care system, it's a safe bet that it will be less comprehensive than the ones its leaders debated just a month ago. ***There is still much at stake for older adults and advocates need to stay in the fight.***

**Medicare.** The Medicare prescription-drug benefit would be improved substantially under both bills. Both would allow most older adults to buy brand-name drugs at half-price once they reach the gap in coverage, the "donut hole." The bills would make all Medicare preventive services free to beneficiaries.

One point of contention between Democrats and Republicans has been billions in Medicare cuts over 10 years, with much of the savings coming from cuts to the government subsidies to Medicare Advantage plans, the private insurance plans which cost taxpayers

from 14 percent to 19 percent more than original Medicare. Republicans want to restore the cuts, which provide extra benefits such as free eyeglasses, hearing aids, and gym memberships, while Democrats and advocacy groups for older adults support the cuts, saying the legislation does not reduce any guaranteed Medicare benefits.

**The CLASS Act.** The Community Living Assistance Services and Supports (CLASS) Act has been included in some versions of health care reform. This provision would create a new, voluntary, government-run insurance program. The program would provide beneficiaries with cash for non-medical, long-term care services and supports, helping them to remain in their homes and communities. The program would be financed through monthly premiums paid by voluntary payroll deductions. After contributing for at least five years, purchasers who then suffer functional limitations could apply for benefits.

**Elder Justice.** Elder Justice is included in the Senate's health care reform legislation and would include efforts to prevent, detect, treat, intervene in, and prosecute abuse, neglect, and exploitation of older adults; and, protect older adults with diminished capacity while maximizing their autonomy. It would also provide federal grants to states for Adult Protective Services.

**Project 2020.** Not currently in health reform proposals, but under discussion, Project 2020 is a national long-term care strategy of the National Association of State Units on Aging and the National Association of Area Agencies on Aging. Project goals are twofold: saving Medicare and Medicaid dollars and enabling older adults and people with disabilities to receive home and community-based services rather than placement in a nursing facility.

While Congress debates the degree of health care expansion, aging advocates need to stay informed and involved over the next several weeks to ensure that older adults benefit from the compromise that finally emerges.