

THE AFFORDABLE CARE ACT (ACA) HELPS MEDICARE

ACA Adds Years to Medicare

Overall, as of 2016, ACA increased Medicare's financial well-being by an additional 12 years.



ACA reduced Medicare Advantage overpayments (which were as much as 14% more, on average, of traditional Medicare spending), reduced annual increases to provider payments, raised additional revenue, and fostered delivery-system reforms. ACA also reduced Medicare spending growth: Average annual growth in spending per beneficiary shrank from 7.4% between 2000 and 2010 down to 1.4% between 2010 and 2015.

ACA reduces prescription drug spending for Medicare beneficiaries



Thanks to the ACA, the Part D prescription drug "Donut Hole", or gap in coverage, is shrinking and will be fully closed by 2020. Since the ACA was passed, almost 12 million Medicare beneficiaries have received discounts on prescription drugs, totaling over \$26.8 billion, for an average of \$2,272 per individual.

ACA expands access to preventive services

Roughly 40 million people with Medicare utilized at least one preventive service, with no copay or deductible in 2016. In addition, over 10.3 million Medicare beneficiaries had a covered Annual Wellness Visit in 2016.



Repealing ACA would increase Medicare spending



The Congressional Budget Office (CBO) estimates that full repeal of the ACA would increase the Medicare program's spending by \$802 billion from 2016 to 2025.

Repealing ACA would increase individual out-of-pocket costs

Full repeal of ACA would lead to higher beneficiary premiums, deductibles and cost-sharing.



Sources:

CMS Press Release, (1/13/17) <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2017-Press-releases-items/2017-01-13.html>

Kaiser Family Foundation, "10 Essential Facts About Medicare's Financial Outlook" (February 2017) <http://kff.org/medicare/issue-brief/10-essential-facts-about-medicare-financial-outlook/>

Kaiser Family Foundation, "What Are the Implications of Repealing the Affordable Care Act for Medicare Spending and Beneficiaries?" (December 2016), <http://kff.org/health-reform/issue-brief/what-are-the-implications-of-repealing-the-affordable-care-act-for-medicare-spending-and-beneficiaries/>