



This year, over 40 million seniors in the United States will receive their health care through Medicare. Medicare provides universal, single-payer health insurance to Americans aged 65 years and older, giving seniors access to regular check-ups, prescriptions, hospital visits and skilled nursing care.

On March 23, 2010, the Democratic-controlled House of Representatives passed the Patient Protection and Affordable Care Act, which included numerous provisions affecting Medicare payments, covered benefits, and the delivery of care. Under the Affordable Care Act, seniors who fell into the Part D “donut hole” received a \$250 rebate. Beginning this year, brand name drugs were also discounted by 50%, with the discounts set to increase to 75% on brand name and generic drugs by 2020.

The Affordable Care Act also gave Medicare recipients free preventive care services—including immunizations, mammograms, colonoscopies and annual wellness visits—beginning on January 1, 2011. These new benefits were paid for by eliminating waste, fraud and abuse in Medicare.

Unfortunately, Medicare is still expensive and estimated to become insolvent in 2029 if further changes are not made. While I believe we must continue to find ways to preserve, protect, and improve Medicare, as we did under the Affordable Care Act, there are some who think the solution to today’s budget problems is to eliminate Medicare as we know it.

On April 15, 2011 the House Republicans passed their budget, by a vote of 235 to 193, which would end Medicare as we know it and replace it with a voucher system. This system would increase seniors’ costs and reduce benefits for all those currently under age 55. It would also

eliminate the Affordable Care Act's free preventive care services for all 108,000 Medicare beneficiaries in the First Congressional District.

The GOP plan ends the guaranteed coverage seniors paid for and instead puts them at the mercy of private insurance companies. The plan gives enormous leeway to these companies, endangering seniors' benefit levels and their ability to choose their own doctor.

The Congressional Budget Office—a nonpartisan office that projects how much a piece of legislation will cost—reported that the GOP plan would more than double the typical senior's out-of-pocket health care spending in 2022, compared to what their costs would be under traditional Medicare. This translates to an increase of more than \$6,000 in out-of-pocket costs. Seniors' health care costs would continue to skyrocket over time. By 2030, it is estimated that seniors would be paying 68% of their health care costs, with the voucher covering only 32%. This means that the estimated 470,000 individuals aged 54 and younger in the First District of Massachusetts would lose access to Medicare's guaranteed benefit.

The GOP plan also raises prescription drug costs for millions of seniors – eliminating the Affordable Care Act provisions that provide a 50% discount for brand-name drugs for seniors in the 'donut hole' coverage gap and completely close the 'donut hole' by 2020. In the First District, this would mean increased prescription drug costs for the 6,100 Medicare beneficiaries in the district who enter the Part donut hole, forcing them to pay a combined \$60 million more for drugs over the next decade.

