

March 22, 2010

Health Care Reform Passes!

The House of Representatives approved the Senate health reform bill (H.R. 3590) Sunday night by a vote of 219 to 212, sending the legislation to President Barack Obama for his signature. The vote marks the climactic finale to a year-long attempt by Democrats to enact Obama's signature legislative goal: expanding health insurance to nearly all Americans, a goal that eluded the party for decades. No Republicans voted yes and 34 Democrats voted against the bill.

Following consideration of the health reform bill, the House passed, 220-211, a reconciliation measure (H.R. 4872) that would modify provisions of H.R. 3590 based on negotiated changes between the House, Senate and White House. Some of those changes would increase federal subsidies to help low and moderate-income families purchase medical coverage through health insurance exchanges, provide a \$250 rebate beginning in 2010 to seniors who reach the gap in Medicare prescription drug coverage (i.e., "the doughnut hole") and phase out the doughnut hole and close it by 2020.

The reconciliation bill, which increases the number of people insured by the health care bill by about a million and reduces the deficit by about \$143 billion over 10 years—about \$25 billion more than the Senate health care bill—now goes to the Senate for consideration. Under budget reconciliation rules, the measure will require only a simple majority of 51 votes as opposed to the usual 60 votes required to surmount a filibuster in the Senate.

The timing of a final vote on the bill in the Senate is unclear at this point. Republicans are expected to attempt to block the legislation on procedural grounds and offer a series of amendments which could extend consideration of the bill. However at the same time, Democratic Senators will be anxious to complete work on the bill prior to the upcoming two-week spring recess, which begins March 26.

Statement by Sandy Markwood, n4a CEO ? *"With last night's vote Congress realized a historic goal in providing health insurance coverage to nearly all Americans. n4a applauds Members of Congress who supported this landmark legislation for their accomplishment. We also commend them for taking positive steps to increase the availability of home and community-based services and long-term services and supports for older Americans. In particular, the establishment of the new CLASS program is a very welcome sign, and we look forward to working with the Administration and other stakeholder groups as this program is implemented. Finally, we are appreciative of other key provisions that were included in the bill for which n4a advocated including: resources for ADRCs; additional Medicare Part D funds to support efforts by the Aging Network; prevention and wellness provisions; and the Elder Justice Act provisions, just to name a few."*

Key Provisions in H.R. 3590

CLASS Program

This new, voluntary long-term care insurance program represents a significant step forward in how future older adults and people with disabilities will be able to afford and access home and community-based services. According to the Congressional Budget Office, the CLASS plan will reduce Medicaid spending and will be solvent and sustainable for the long term. And it will help individuals and families struggling to maintain their independence and financial stability by providing a much-needed daily benefit to help purchase the care they need to stay healthy and at home.

Aging and Disability Resource Centers

The bill provides \$10 million a year over five years (FY 2010-2014) for the continuation of Aging and Disability Resource Centers (ADRCs) through the demonstrations developed by the Administration on Aging and the Centers for Medicare and Medicaid Services.

Medicare Part D Improvements

The bill makes improvements to the annual enrollment process for beneficiaries; in particular, changes the timing of the Part C and D enrollment period to begin on October 15 and end December 7, starting in 2012. Includes an annual 45-day period of disenrollment from Medicare Advantage plans to allow beneficiaries to change their election to the original Medicare fee-for-services program under Part A and B, beginning in 2011.

Additional Outreach and Assistance Funds for Part D

The bill provides additional funding to support outreach and assistance for Part D and low-income prescription drug programs by State Health Insurance Assistance Programs (SHIPs), AAAs, ADRCs, and the National Center for Benefits and Outreach Enrollment including a total of \$45 million to these entities between FY 2010 and 2012. In addition to these efforts, the funded entities would support outreach activities aimed at preventing disease and promoting wellness.

Prevention and Wellness

It expands coverage of preventive health services under the Medicare and Medicaid programs. The provisions will implement a national strategy and grant programs to support community-based prevention and wellness programs including a “Healthy Aging, Living Well” program that will provide more preventive health services and help to achieve the goal of reducing chronic diseases and addressing health disparities.

Elder Justice Act

The bill includes the Elder Justice Act provisions that would implement a comprehensive national strategy to address elder abuse, neglect and exploitation. These provisions would enhance the training, recruitment and staffing in long-term care and enhance state adult protective service systems, long-term care ombudsman programs, and law enforcement practices. The bill also provides for new nursing home transparency and criminal background checks requirements.

Empowered at Home

Empowered at Home provisions will remove certain barriers to providing Medicaid HCBS by offering states more flexibility in state plan amendments for HCBS and modify the spousal impoverishment statute to mandate that states include the spousal impoverishment protections in their waiver programs.

Community First Choice

The bill includes a new option which offers states a financial incentive to further rebalance the provision of LTSS in Medicaid. Individuals in participating states would gain guaranteed access to community-based attendant services—currently, only institutional care is guaranteed.

Money Follows the Person

Reauthorizes the MFP program, originally authorized under the Deficit Reduction Act of 2005, and continues federal support through 2016 for grants to states to transition Medicaid-enrolled nursing facility residents to their homes or other community settings, while making some positive changes to the minimum residency requirement (from six months to 90 days).

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We Need Your Voice in DC for the n4a Aging Policy Briefing & Capitol Hill Day this year!

Register today for this event, which takes place in Washington, DC on April 19-20, 2010, at:

<https://www.n4a.org/advocacy/aging-policy-briefing/index.cfm>

→ If you have questions about this *Legislative Update*, please contact n4a’s Public Policy and Legislative Affairs staff, Amy Gotwals and K.J. Hertz, at 202.872.0888 or agotwals@n4a.org, khertz@n4a.org.

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