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## **Health Reform Working for Physicians and Seniors – House Bill**

### **Filling the doughnut hole**

- The “doughnut hole” refers to the gap in Medicare coverage for beneficiaries whose annual prescription drug costs fall between \$3,000 and \$6,000.
- Proposed legislation would completely eliminate the donut hole by 2023 and would result in prices being cut in half for donut hole drug expenses.

### **Improving Physician reimbursement**

- The reimbursements received by doctors under Medicare will fall by 21.5 percent next year unless Congress acts. Health reform would avert this cut and reform the physician payment mechanism in Medicare (known as the sustainable growth rate).
- Health reform also invests in pilots for innovative concepts such as accountable care organizations, medical homes, and bundling of acute and post-acute provider payments. It also creates new payment incentives to decrease preventable hospital readmissions.

### **Rural health**

- The House bill will expand patient and doctor access to tele-health for rural areas, prevent sudden cuts in hospital payments from changes in adjustments for geographic area and increase fees for rural doctors.

### **Medicare financing**

- As a result of the various reforms proposed in the bill, the House bill will extend the life of the Medicare trust fund for five years past its currently projected insolvency date of 2017. Thus, the trust fund will be solvent through 2022.

### **Freeze on Medicare Part B premiums**

- Current law caps Medicare part B premium increases for most beneficiaries to a rate that is no higher than the annual cost-of-living adjustment (COLA) for Social Security.
- The Trustees for the Social Security and Medicare trust funds project a 0% COLA for the next two years—which accordingly means a 0% increase in Medicare Part B premiums for qualifying seniors.