



### Talking Points on Health Care Reform Costs – H.R. 3962

- The House health care reform bill will **extend** the life of the Medicare Trust Fund by five years, significantly longer than any other recent proposal.
- Out-of-pocket spending will decline by more than \$200 billion by 2019.
- H.R. 3961, companion legislation to H.R. 3962, will improve how physicians receive Medicare reimbursements, allowing older Americans the ability to keep their choice of doctor.
- Overall, national spending on health care would increase by less than 1.3% over the next decade, even though millions of additional people will gain coverage. Without health care reform, health care costs are expected to rise at rates double that of inflation, growing every year as a larger share of the Gross National Product.
- The bill will help retirees right away. For example, in 2010, Medicare beneficiaries will no longer have to pay co-payments for screenings for cancer, diabetes, and osteoporosis.
- The Medicare Part D doughnut hole coverage gap for prescription drugs will immediately close by \$500 and will be phased out.
- More screenings and preventive care are associated with a longer lifespan, which will increase costs slightly - it is the price of staying alive longer!
- In addition, early retirees, who are not old enough for Medicare, will get help keeping or finding affordable health insurance.
- The elimination of pre-existing conditions as a basis for denial of coverage, along with the creation of a public option, will benefit pre-Medicare eligible retirees.

- The bill requires the Secretary of Health and Human Services (HHS) to negotiate drug prices on behalf of Medicare beneficiaries, cutting costs for everyone.
- Hospitals and nursing homes will still need Medicare patients as part of their business.
- Insurance and drug companies are increasing their prices BEFORE health care reform passes, because they fear the competition health reform will provide. Drug companies are raising prices by 9% this year, even though the Consumer Price Index has fallen 1.3% in the last year.

November 17, 2009