



## Health Care Reform and Medicare-- What's Ahead

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The two health care reform laws signed into law March 2010 will lead to significant changes and opportunities for people on Medicare. "The regulations to implement these laws will be written over the next several years so details are limited at this time," says Kris Gross from the State of Iowa's Senior Health Insurance Information Program. "We can share some of the highlights of the changes coming in 2010 and 2011 however," she adds.

One of the 2010 changes will begin to close the Medicare Part D coverage gap or "doughnut hole." A one-time \$250 rebate will be paid to individuals who enter the coverage gap in 2010. This rebate will be distributed quarterly, but the specific distribution process has not yet been announced. Individuals who are eligible for the Part D extra help will not receive the rebate because they do not have a coverage gap.

The coverage gap will continue to close in 2011. Effective January 1, 2011, drug manufacturers will provide a 50 percent discount on brand-name drugs when a person enters the coverage gap. A seven percent discount on generic drugs will be provided by the government for those who fall in the gap.

Important changes are coming for Medicare preventive services next year. Cost sharing (deductibles and co-insurance) will be eliminated for most Medicare-covered preventive and screening services. An annual wellness visit will also be covered every 12 months. This visit will focus on a personal risk assessment and prevention plan.

Another change coming at the beginning of 2011 is a new Medicare Advantage disenrollment period the first 45 days of the year. This replaces the current Medicare Advantage open enrollment. The disenrollment period will allow individuals enrolled in a Medicare Advantage plan to return to Original Medicare and enroll in a stand-alone Part D drug plan if desired. Details about many other Medicare Advantage changes will be available in the upcoming months.

The Medicare website, [www.medicare.gov](http://www.medicare.gov), includes a section on its homepage called "What's New?" The "Latest on Health Care Reform" is included in this section. You can check this resource regularly for updates.

As the new laws are implemented SHIIP will be available to answer your questions. Call 1-800-351-4664 (TTY 800-735-2942). SHIIP counselors across the state are ready to answer your Medicare questions. SHIIP is a free, confidential and objective service of the state of Iowa. It does not sell, endorse or promote any insurance products.