

U.S. Senator Maria Cantwell
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Cantwell: New Year Triggers Key Health Care Reform Measures
Provisions improve care quality, lower costs, and prioritize positive health outcomes over profits

WASHINGTON, D.C. - Today, U.S. Senator Maria Cantwell (D-WA) alerted Washingtonians to several health care reform provisions taking effect today that will hold insurance companies accountable, lower health care costs, guarantee more health care choices, and enhance the quality of health care. Included in the historic 2010 health care reform legislation, these provisions touch on several of Cantwell's priorities for health care reform including support for seniors to utilize home and community-based care as opposed to costly hospital care and increased access for seniors to Medicare primary care doctors.

"The provisions taking effect today go a long way toward improving quality care and reducing costs," Senator Cantwell said. "Beginning today, some seniors will pay 50 percent less for brand name prescription drugs and receive certain preventive services for free. Insurers will also be required to spend more of our premium dollars on providing health coverage instead of padding their bottom lines. These and other important reforms put the health of everyday Americans before insurance company profits, ensuring a more sustainable health care system that will better meet the needs of all Americans now and into the future."

Cantwell also praised new proposed Patient Protection and Affordable Care Act regulations <<http://www.healthcare.gov/news/factsheets/ratereview.html>> announced on December 21st by the U.S. Department of Health and Human Services (HHS). The new regulations would require insurers in all states to publicly justify any unreasonable rate increases beginning in 2011. Insurance companies' justifications for unreasonable increases would be posted on HealthCare.gov <healthcare.gov> and the insurance plan's website.

"The proposed new Affordable Care Act regulations are important to ensuring consumers are protected from unreasonable and unjustified rate increases that make health care insurance unaffordable," Cantwell said. "I am supportive of HHS putting these regulations into place which provide for increased transparency in pricing."

The provisions that go into effect today include:

* Ensuring Premium Dollars Go to Improving Quality Care, Not Company Profits: To ensure premium dollars are spent primarily on health care, the new law generally requires that at least 80 to 85 percent of all premium dollars collected by insurance companies be spent on health care services and health care quality improvement. If insurance companies do not meet these goals because their administrative costs or profits are too high, they must provide rebates to consumers.

* Providing Free Preventive Services for Seniors: The Affordable Care Act provides certain free preventive services for seniors on Medicare, including annual wellness visits and personalized prevention plans, and eliminates the Medicare deductible for colorectal cancer screening tests.

* Providing Prescription Drug Discounts for Seniors: Seniors who reach the coverage gap will receive a 50 percent discount when buying Medicare Part D covered brand-name prescription drugs. Over the next ten years, seniors will receive additional savings on brand-name and generic drugs until the coverage gap is closed in 2020.

* Incentivizing Primary Care Doctors to Work in Underserved Areas. As an incentive to help recruit more primary care providers to participate in Medicare, the law provides a 10 percent Medicare bonus payment for primary care services and to general surgeons practicing in health professional shortage areas. This provision will help increase access for seniors to Medicare primary care providers.

- * Preventing Chronic Diseases: This provision provides three-year grants to states to develop programs for Medicaid enrollees that encourage participation in comprehensive health lifestyle programs to meet certain health behavior targets.
- * Finding New Ways to Deliver Quality, Lower Cost Care: The Center for Medicare and Medicaid Innovation will begin testing new ways of delivering care that will lower costs and improve quality and health outcomes. By January 1, 2011, HHS will submit a national strategy for quality improvement in health care.
- * Avoiding Unnecessary Hospital Readmissions: The Community Care Transitions Program will help high-risk, hospitalized Medicare beneficiaries avoid unnecessary hospital readmissions by coordinating care and connecting discharged patients to health services in their communities.

For complete details on the provisions kicking in today, click here<<http://www.healthcare.gov/law/timeline/index.html>>.

Cantwell, a member of the Senate Finance Committee, played a major role in crafting the Patient Protection and Affordable Care Act, authoring several key provisions including a new Medicare reimbursement formula that rewards providers for delivering high quality, low cost care. She also fought to include \$1.1 billion in the new law to help seniors in need of long-term care who prefer to remain in their homes. For a summary of Cantwell's key reforms included in the law, click here<<http://cantwell.senate.gov/news/record.cfm?id=323327&>>.

Parts of the Affordable Care Act will continue taking effect into 2014. For more information about the health care implementation, please see this timeline<<http://www.senate.gov/cgi-bin/exitmmsg?url=http://www.healthcare.gov/law/timeline/index.html>> on HealthCare.gov<<http://www.healthcare.gov/>>.