



## New health law puts seniors at risk

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Report finds that the new healthcare law will decrease access to quality care for the elderly.

On Wednesday, former Comptroller General David M. Walker, National Center for Policy Analysis (NCPA) Senior Fellow Thomas R. Saving, and NCPA President and Kellye Wright Fellow John C. Goodman held a briefing in Washington, D.C.

At the briefing, the NCPA presented a new analysis that concludes finding accessible and quality care for the elderly and disabled will become increasingly difficult in the coming years under the new health care law because of draconian cuts in payments to doctors and hospitals:

- Medicare payment rates will fall below the rates paid by Medicaid (for low-income families) by the end of this decade and will fall even further behind all other payers in succeeding decades.
- Whereas Medicaid pays about 80 percent of what private insurance pays today, the payment rates will fall to two-thirds of private payment by the end of this decade and one-half of private payment by midcentury.
- Just as Medicaid patients must often seek care at community health centers and safety net hospitals today, seniors could face similar access problems in the near future.

In terms of dollars spent:

- The annual reduction in spending will reach \$2,300 per beneficiary by 2020 and \$3,844 by 2030.
- By the time today's teenagers reach the retirement age, one-third of Medicare will effectively be gone.
- If seniors are allowed to make up for the cuts in Medicare spending with out-of-pocket payments -- something not allowed under current law -- they will need to spend 10 percent of the average Social Security check by 2017.
- Fifty years from now, seniors will need to spend half of their Social Security income to offset the decline in Medicare spending.

Unless the law is changed by future Congresses, Medicare beneficiaries will be pushed into a separate health care system and not have the same access to care as the rest of the population, according to the report.