



AFFORDABLE CARE ACT

America's Seniors Are Seeing Cost Savings and Better Benefits Under Medicare Since Enactment of the ACA

Since the enactment of the Affordable Care Act in 2010, seniors have been seeing cost savings, longer solvency, and better benefits under Medicare, as shown below:

Cost Savings

- **Unchanged Medicare Part B Premium:** The Medicare Part B premium is remaining unchanged, with no increase, for three years in a row – remaining at \$104.90 for 2013, 2014, and 2015. This means savings for America's seniors, leaving more money in seniors' pockets for other necessities after years of rising premiums. Indeed, the Medicare Part B premium skyrocketed by 112 percent between 2000 to 2008 (jumping from \$45.50 to \$96.40). By comparison, the Medicare Trustees project that the premium will grow by only 10 percent from 2008 to 2016 – or less than one-tenth of that rate.
- **Roughly Flat Average Medicare Part D Premium:** The average Medicare Part D premium has also been staying roughly flat since the enactment of the ACA. In 2011, 2012, 2013, and 2014, the average premium for a Medicare Part D plan has been \$30 or \$31. It is projected in 2015 the average premium will be \$32, a modest increase of \$1. This flat premium has also meant savings for America's seniors.
- **Lower Average Medicare Advantage Premium:** The average Medicare Advantage premium in 2015 is projected to be 6 percent lower than the average premium in 2010, the year ACA was enacted, producing savings for seniors.

Longer Solvency

- **Extending Medicare Solvency:** Since the enactment of the ACA, the life of the Medicare Trust Fund has been extended by 13 years. This strengthens the program and gives more security to seniors.

Better Benefits

- **Closing the Rx Drug Donut Hole:** The Affordable Care Act has improved the Medicare Part D benefit by closing the Rx drug donut hole over a 10-year period. As a result, since the ACA was enacted, more than 8.3 million seniors in Medicare have saved more than \$12 billion on their prescription drugs, an average savings of \$1,443 per senior.
- **Free Coverage of Preventive Services Under Medicare:** The Affordable Care Act has also improved Medicare benefits by providing, beginning in 2011, free coverage of preventive services, such as mammograms and colonoscopies. 37.2 million seniors received free preventive services under Medicare in 2013 alone, saving them potentially hundreds of dollars.

Higher Medicare Advantage Enrollment

- **Higher Medicare Advantage Enrollment:** Enrollment in Medicare Advantage (MA) plans in 2015 is projected to be 42 percent higher than it was in 2010, the year ACA was enacted. This is despite predictions by opponents of the ACA that the ACA would cause a dramatic drop in MA enrollment.