



# The Medicare Buy-In and Health Care Stabilization Act

## Moving the health care debate forward

It is time for Congress to get serious about health care cost and quality. While the Affordable Care Act has made significant progress towards reducing the number of uninsured Americans and providing consumer protections to patients, there is more we can do to reduce costs and improve quality, especially for older Americans who face higher premiums and more job insecurity.

Our plan would allow Americans age 50-64 to buy-in to Medicare, the system with the highest satisfaction rate of any health insurance program, according to a 2016 Gallup poll. By leveraging the power of Medicare, its wide provider network, and low administrative costs, those approaching retirement could see significant savings.

Participants could buy into Medicare, including Part A, B, and D, for an annual premium potentially as low as \$8,212, compared to the \$13,308 it would cost a 60 year old to buy a Gold plan on the exchange (before any subsidies are applied).

Our plan also proposes important common sense solutions to bolster stability. Establishing a reinsurance program, strengthening the Cost Sharing Reduction program, and investing in ways to reduce long-term costs to the system are simple but important actions we must take in order to ensure a healthy and affordable insurance market for all.

There *are* ways to improve quality while also reducing the financial burden on Americans. We encourage you to join us in showing the American people the way forward for our health care system.

### The Medicare Buy-In and Health Care Stabilization Act

#### Medicare Buy-In for those age 50-64

- Participants would purchase Medicare coverage (Part A, B, and D) at-cost, keeping the program budget neutral
- Plans would be offered on the exchanges, providing opportunity for comparison-shopping
- Those eligible for premium tax credits or cost sharing reductions could apply them towards their buy-in premium

- Employed Americans (ages 50-64) could opt into this plan, and their employers could contribute on their behalf

HHS is also authorized to negotiate volume discounts on prescription drugs (Part D) to achieve even greater savings in the system and to the benefit of all Medicare beneficiaries

### **Market Stabilization**

- Re-establish an individual market catastrophic reinsurance program
- Extend Risk Corridors through 2020
- Improve cost sharing reduction subsidies in current law to ensure low-income families can rely upon this assistance every year

### **Bending the Cost Curve**

- Establish an advisory commission to address long-term costs and delivery system reforms to improve the quality of patient care, improve the health of populations, and reduce the cost of care
- Enhance Medicare Program Integrity efforts to fight fraud and abuse in the system that hurts the long-term solvency of the program and harms our beneficiaries

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