

# ELDER LAW TODAY

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I am writing this newsletter on January 10, 2014 (but am titling it "Winter 2013" to keep my past issues on track). In reviewing prior letters, it looks like that I started these newsletters in 2003 or perhaps even before then. Time flies when you are having fun!

**The Affordable Care Act of 2014** – what does it mean for the "average senior citizen" in terms of what, if anything, he or she needs to do? As we all know, it seems that each and every day there are news articles about the horrors of the ACA: the deadlines for signing up; the massive computer glitches; the extraordinarily high costs of medical insurance associated with it, etc. However, the good news is that most average senior citizens will not be negatively affected by ACA and may actually enjoy some benefits and WILL NOT NEED TO SIGN UP FOR IT!!

First and foremost, those of us who are already covered by Medicare and private insurance do not need to enroll in the "ACA Marketplace". You can keep the coverage you have. If you wanted to, although there is no good reason why you would want to, you could sign up for a "ACA Marketplace Plan", but the result is that you would be "double insured" and you would not be eligible for low-income subsidies or premium tax credits. Not a good thing at all!!

So, bottom line, the ACA will not be replacing Medicare and Medicaid.

But there are actually some benefits that most of us on Medicare will enjoy (even though we do not sign up for the ACA):

1. While the Part D premium will increase slightly for Medicare beneficiaries with higher incomes (individuals with annual incomes

over \$85,000.00 or couples with annual incomes over \$170,000.00) the majority of Medicare beneficiaries have already started paying less for their prescriptions and, according to the information I have received, the ACA closes the "doughnut hole" over a period of time.

2. There has been concern that the Medicare recipient will have to change doctors. But this is not true. Actually, the ACA has created incentives to doctors to provide primary care --- thus hopefully increasing the number of docs who practice in this area.

There are some negatives, however that accompany this new law.

1. There is an increase in the Medicare premium for individuals earning more than \$200,000.00 per year (or for couples earning more than \$250,000.00 per year). Net investment income for these high earning people will also be subject to the Medicare tax.
2. Also, there are concerns regarding Medicare-based HMOs called "Medicare Advantage Plans". Private insurers are budgeted to be reimbursed less for services rendered. Consequently, there is concern that some insurers will choose not to continue their Medicare Advantage Plans.

Well, that's the "down and dirty" on the ACA.

Hope this finds you in good spirits and good health. Happy New Year!!

(P.S. On 1/18/14 we welcomed Ruth Colleen Campbell into this world! Our son, Moley & wife Jessica's first child!)

