

# STRENGTHENING THE HEALTH INSURANCE SYSTEM:

## *How Health Insurance Reform Will Help America's Older and Senior Women*

### EXECUTIVE SUMMARY

While all Americans shoulder the burden of rising health care costs and increasingly inadequate health insurance, the 17 million older women (ages 55-64) and 21 million senior women (ages 65 and older) in America have unique situations and health care needs that make them particularly susceptible to rising costs – at a time in their lives when access to affordable health care is increasingly important. Health insurance reform will remove these hurdles to ensure that older and senior women, along with all other Americans, get the quality, affordable health care they deserve.

### *Health Insurance Problems for Older Women and Solutions through Reform*

- Insured older women are often exposed to high and potentially ruinous out-of-pocket health care costs.** A recent study found that almost half of all women reported problems paying medical bills, compared with 36 percent of men, and one-third of women were forced to make a difficult tradeoff between using up their savings, taking on debt, or giving up basic necessities.<sup>1</sup> By expanding health insurance to all Americans, providing premium assistance to make it affordable, and creating caps on the health care expenses that people pay out-of-pocket, health insurance reform will make health care affordable for older women.
- The health insurance market does not work for older women.** Women are less likely to be eligible for employer-based health benefits than men – in fact, less than half of women have the option of obtaining employer-based coverage on their own.<sup>2</sup> But the individual insurance market is not a reliable alternative. One-third of older adults seeking coverage in the individual market are denied coverage.<sup>3</sup> Discrimination based on age, gender, and health status also means that older women who purchase health insurance directly from an insurance company pay premiums that are roughly four times greater than those who have employer-based coverage.<sup>4</sup> Health insurance reform will prevent any insurance company from denying coverage based on underlying health status, and it would end discrimination based on health status and gender and limit the extent to which premiums can vary by age. It will guarantee that a woman will always have a choice of quality, affordable health insurance – even if she or her spouse loses a job, switches jobs, retires, moves, or gets sick.
- Prevention is under-emphasized.** One in five women aged 50 and above has not received a mammogram in the past two years.<sup>5</sup> By ensuring that health plans cover preventive services without cost-sharing for everyone, investing in prevention and wellness, and promoting primary care, health insurance reform will work to create a system that prevents illness and disease instead of just treating it when it's too late and costs more.



Source <sup>2</sup>

## ***Health Insurance Problems for Senior Women and Solutions through Reform***

- **Senior women shoulder an increasing financial burden to get the care they need.** Senior women spent on average 17 percent of their income on health care in 2005.<sup>6</sup> The growth in Medicare Part B premiums from 2000 to 2018 is predicted to cost seniors an additional \$1,577 per year out-of-pocket.<sup>7</sup> Health insurance reform will reduce overpayments to private plans and clamp down on fraud and abuse to slow premium growth for all seniors and extend the life of the Medicare trust fund by 5 years.<sup>8</sup>
- **High prescription drug costs.** In 2007, over 8 million seniors enrolled in Part D Medicare hit the “doughnut hole,” and 64 percent of those seniors were women. For seniors who are not low-income or have not purchased other coverage, average drug costs in the gap are \$340 per month, or \$4,080 per year.<sup>9</sup> In an historic agreement, the drug industry has pledged to provide seniors in the “doughnut hole” coverage gap with a discount of at least 50 percent for medication costs, saving thousands of dollars for some seniors.
- **Imminent doctors’ payment cut will limit access for senior women.** A 21-percent cut in provider payments scheduled for January 1, 2010 could lead more than half of physicians in Medicare to reduce the number of new patients they treat.<sup>10</sup> Health insurance reform will eliminate this physician payment cut, ensuring that physicians will still be able to provide high-quality care for senior women.
- **Jeopardized access to care in rural and underserved areas.** Currently, approximately 12 million seniors lack access to a primary care provider because of shortages in their communities.<sup>11</sup> Health insurance reform expands the health care workforce in currently underserved areas, and expands and enhances telehealth services in Medicare.
- **Inadequate long-term care coverage for senior women.** It is estimated that 65 percent of those who are 65 today will spend some time at home needing long-term care services<sup>12</sup>, and 77 percent of Medicare beneficiaries living in long-term care facilities are women.<sup>13</sup> Health insurance reform will create a new voluntary long-term care insurance program to help cover the costs of support services in the community for the millions of senior women who need them.
- **Underused prevention.** Seniors must pay 20 percent of the cost of any preventive service on their own – a price that can discourage measures that could catch cancers early and help the chances of survival. Health insurance reform will ensure that no senior woman will have to pay anything to receive recommended preventive services that will keep her healthier.
- **Persistent quality problems.** Nearly 20 percent of Medicare patients who are discharged from the hospital end up being readmitted within 30 days, and of those admitted for a medical condition, half did not have a physician visit between discharge from the hospital and readmission.<sup>14</sup> Health insurance reform will develop national priorities on quality, standardize quality measurement and reporting, invest in patient safety, and reward providers for high-quality care, especially as patients transition from hospital to home.

## FULL REPORT

### Introduction

Americans pay more for health care each year but get less coverage and fewer services for the premiums they pay. Rapidly rising health insurance premiums, deductibles, copayments, and other out-of-pocket costs contribute to putting quality health care out of reach for millions of Americans. While all Americans shoulder the burden of rising health care costs and increasingly inadequate health insurance, the 17 million older women (ages 55-64) and 21 million senior women (ages 65 and older) have unique situations and health care needs that make them particularly susceptible to rising costs – at a time in their lives when access to affordable health care is increasingly important.

Older and senior women are vulnerable to health insurance shortcomings in the private market and in Medicare because they tend to be poorer, sicker, and greater users of health care services on average than men of the same age, and, frequently, the rest of the population. Older women also bear the burden of less stable health insurance coverage on average than men the same age. As a result, high out-of-pocket costs and benefit gaps have potentially ruinous financial and health-related consequences for older and senior women.

For older and senior women, exorbitant out-of-pocket expenses can lead to crippling financial burden, precipitating medical debt and/or the avoidance of necessary medical care. Coverage gaps also discourage older and senior women from seeking preventive health care and other needed services that could go a long way to prevent future illnesses and health care costs.

Older women, whether insured or not, face significant and sometimes devastating hurdles to receiving timely, affordable treatment in our health care system. Senior women, while almost universally covered by Medicare, also face unique and powerful barriers to affordable health care. Although covered through distinct insurance systems, older and senior women shoulder disproportionate costs and face unique challenges to obtaining valuable services for their health. Health insurance reform seeks to alleviate these hurdles to ensure older and senior women, along with all other Americans, get the quality, affordable health care they deserve.

### Health Insurance Problems For Older Women

Older adults as a whole have higher rates of chronic disease, require a disproportionate amount of health care services, seek coverage on the individual market more often, and encounter greater barriers to quality affordable health care than any other age group below the age of 65.<sup>15</sup> Among older adults, women in particular have higher rates of chronic disease, higher out-of-pocket health care spending, lower income, and are more likely to obtain coverage in the individual market than men.<sup>16</sup> When examined as a group, older women are disproportionately vulnerable to the woes of America's health insurance system. Rising premiums and out-of-pocket costs coupled with an insurance market allowed to discriminate against enrollees force older women to overcome multiple and unique barriers to get the meaningful health coverage they need. Meaningful coverage is not only difficult to acquire but it is also difficult to keep. Older women would benefit from reforming the health insurance system so that it is fair and affordable to everyone.

## ***Health Insurance Costs For Older Women***

### **Problem: Insured older women are often exposed to high and potentially ruinous out-of-pocket health care costs.**

While some individuals have meaningful and adequate health insurance to cover their health care costs should they get sick, the uninsured and an increasing number of privately insured individuals face the prospect of financially crippling out-of-pocket costs. Any medical event can place a woman at risk for potentially devastating financial costs, even when she has health insurance. A recent study found that almost half of all women reported problems paying medical bills, compared with 36 percent of men, and one-third of women were forced to make a difficult tradeoff between using up their savings, taking on debt, or giving up basic necessities.<sup>17</sup>

The problem of high out-of-pocket costs is particularly prevalent among older women. Older women are more likely to be low-income than men of the same age (28 percent versus 23 percent).<sup>18</sup> In addition, a full 42 percent of older women have two or more chronic conditions, compared with only 32 percent of older men.<sup>19</sup>

The combination of lower incomes and greater health care needs places older women at high risk for potentially devastating out-of-pocket costs. Health insurance premiums for older women are significantly greater than for women in any other age group.<sup>20</sup> Nearly one-fourth of women aged 55 to 64 are in households that spend more than 10 percent of their income on premiums and out-of-pocket health care expenses, compared with one-fifth of men of similar age.<sup>21</sup>

Focusing on just the out-of-pocket costs related to health care services, older women still shoulder the greatest burden. Over five percent of older women live in households with high out-of-pocket costs<sup>22</sup>, compared to only four percent of older males. For older women living alone, eight percent have high out-of-pocket costs compared with 5.5 percent for men.<sup>23</sup>

### **Solution: Make health care affordable for everyone.**

Older women are frequently forced to make decisions based on their finances and not on what is best for their health. They tend to spend more on premiums than any other age group and shoulder more out-of-pocket expenses for health care services than older men. By expanding health insurance to all Americans, providing premium assistance to make it affordable, and creating caps on the health care expenses that people pay out-of-pocket, health insurance reform will make health care affordable for older women.

## ***Health Care Access For Older Women***

### **Problem: Older women have unstable sources of coverage.**

Employer-sponsored insurance provides the greatest source of coverage for older Americans, with 64 percent receiving coverage through an employer.<sup>24</sup> However, because employer-sponsored coverage is declining and older Americans are at or close to the age of retirement, they are at risk of losing employer-sponsored insurance and having to seek alternate coverage. This is especially true for older women, who have more limited and less stable sources of coverage than older men.

Women are less likely to be employed full-time than men (52 percent compared to 73 percent).<sup>25</sup> This means that women are less likely to be eligible for employer-based health benefits themselves. In fact, less than half of women have the option of obtaining employer-based coverage on their own.<sup>26</sup> Even

when they work for an employer that offers coverage, one in six is not eligible to take it.<sup>27</sup> Women who retire before Medicare coverage begins are also less likely to receive retirement coverage through their employer than men (8 percent versus 14 percent).<sup>28</sup> Without the offer of insurance through their employer, women must seek alternate sources of coverage.

The primary source of coverage for older women not directly offered health insurance through their workplace is through a spouse. Women are twice as likely as men to get employer-sponsored insurance through their spouses (25 percent versus 12.5 percent).<sup>29</sup> However, coverage through a spouse is unstable because women must count on their husbands to continue to work for employers that cover dependents. This is a real concern given that, between 2001 and 2005, employers dropping dependent coverage accounted for 11 percent of the decline in employer-sponsored insurance overall.<sup>30</sup> Employer-sponsored dependent coverage can also end when a spouse goes on Medicare, a particular issue for women who are married to older men.

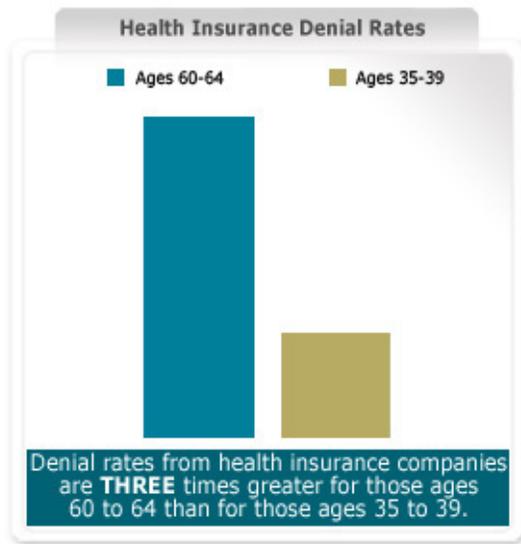
The effects of unstable employer-sponsored coverage for older women are apparent. Among married women in the 55 to 64 age group, there is a drop in dependent employer-sponsored coverage when compared with the 45 to 54 age group, from 39 to 34 percent.<sup>31</sup> This decline is coupled with a rise in the percent purchasing individual insurance from five to eight percent – a trend that is not seen among men.<sup>32</sup>

**Problem: Older women have limited options outside employer-sponsored insurance.** Because older women rely disproportionately on the individual market, it is essential that an array of affordable and meaningful coverage choices is available. However, in 33 states, insurance companies are permitted to charge higher premiums to older individuals without any restrictions whatsoever, and in 45 states, when a person with a health condition tries to buy health insurance directly from an insurance company through the individual insurance market, insurance companies can charge higher premiums, exclude coverage for certain conditions or even deny coverage altogether.<sup>33</sup>

Roughly one in five older women report their health status as fair to poor,<sup>34</sup> and 71 percent of older women report at least one chronic condition.<sup>35</sup> Therefore, premium rating by age and health status and denying coverage based on pre-existing conditions all contribute to the fact that older women are unlikely to find meaningful insurance coverage in the individual insurance market. In fact, premiums for older women in the individual market are roughly four times greater than those in the group market.<sup>36</sup>

Average premiums in the individual market for older individuals were more than double the average annual premium across the entire nonelderly population. In addition, one-third of older adults seeking coverage in the individual market were denied. Denial rates from health insurance companies are three times greater for those ages 60 to 64 than for those ages 35 to 39. Among older adults who were offered health insurance on the individual market, 10 percent of policies excluded pre-existing conditions through an elimination rider.<sup>37</sup>

The hassle, costs, and uncertainty in maintaining insurance coverage can be devastating for older adults already dealing with life-changing events and greater health care needs. For conditions that require continued medical attention, insurance coverage that excludes pre-existing conditions or charges exorbitant premium rates and high deductibles is the equivalent of not having insurance at all.



Source <sup>37</sup>

In addition to the inability to find meaningful coverage, if a woman is diagnosed with an expensive condition like cancer or diabetes while covered by an individual market plan, some insurance companies will review her initial health status questionnaire for errors. In most states' individual insurance market, insurance companies can retroactively cancel the entire policy if any condition was missed – even if the medical condition is unrelated, or if the person was not aware of the condition at the time.<sup>38</sup> This means that even for those women who have insurance, they cannot have the peace of mind that they will continue to get coverage if they get sick.

**Solution: Create more affordable choices and eliminate discrimination in the health insurance market.**

Many older women lack or lose employer-sponsored coverage. Health insurance reform will create a health insurance exchange so women can compare prices and health plans and decide which quality affordable option is right for them. Reform will guarantee that a woman will always have a choice of quality, affordable health insurance if she or her spouse loses a job, switches jobs, retires, moves, get sick – or if her spouse joins Medicare.

Health insurance companies often use age, gender, health status, and the presence of medical conditions to charge higher premiums or deny coverage. Health insurance reform will prevent any insurance company from denying coverage based on underlying health status, and it would end discrimination based on health status and gender and limit the extent to which premiums can vary by age.

Consumer protections in health insurance reform will ensure older women have portable health insurance options. Older women would no longer have to make life decisions – like whether to retire, work fewer hours, or switch jobs – based on the lack of affordable and meaningful coverage outside of their current employer-sponsored plan.

## ***Prevention And Quality Health Care For Older Women***

**Problem: Prevention is underemphasized.**

The epidemic and growing levels of potentially preventable diseases and conditions contribute greatly to the high costs of health care. In fact, one study estimates that almost 80 percent of all health spending in the United States can be attributed to potentially preventable chronic illnesses.<sup>39</sup> And the costs of treating cancer alone totaled \$93 billion in 2008.<sup>40</sup>

Getting recommended screening tests regularly for breast, cervical, and colorectal cancers increases the chance that these diseases will be identified in their early stages. Not only does catching cancer early significantly increase a patient's chances for survival, but it also significantly decreases projected costs of treatment.

However, measures that can go a long way help make sure cancer is caught early, like preventive screenings, are not used often enough by older women. One in five women aged 50 and above has not

received a mammogram in the past two years. Additionally, a full 38 percent of adults aged 50 and over have never received a colorectal cancer screening.<sup>41</sup>



Source <sup>42</sup>

Diagnosing cancer early through screening can save lives. If 90 percent of adults aged 50 and over received any recommended screening for colorectal cancer, 14,000 additional lives would be saved each year. If 90 percent of women 40 and older received breast cancer screening, 3,700 lives would be saved annually.<sup>42</sup>

**Solution: Preventive, high-quality care for better health.**

By ensuring that health plans cover free preventive services for everyone, investing in prevention and wellness, and promoting primary care, health insurance reform will work to create a system that prevents illness and disease instead of just treating it when it's too late and costs more.

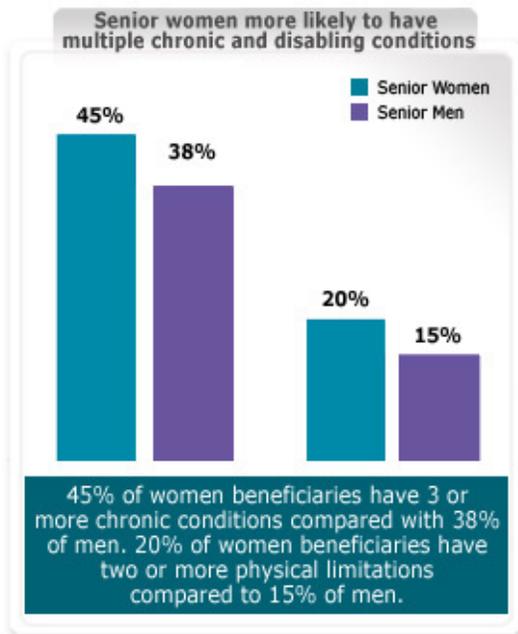
Health insurance reform legislation will establish medically driven priorities and standards on quality, require quality reporting by hospitals, and provide incentive payments for high-quality performance.

As a result, older women will have better information to support their health care choices and will receive higher quality care.

## ***Health Insurance Problems For Women In Medicare***

Since its inception in 1965, Medicare has provided a needed – and respected – health care service to our nation's senior citizens and certain people with disabilities. However, rising health care costs, persistent gaps in the use of recommended services, and the potential of Medicare insolvency all threaten the health care that the program's beneficiaries need and deserve. Rising costs and coverage gaps are of particular concern to women in Medicare who represent over half (56 percent) of all Medicare beneficiaries and 70 percent of beneficiaries over the age of 85.<sup>43</sup>

Women in Medicare have on average lower incomes, fewer assets, and less generous retirement coverage than men. In 2007, the median annual household income for was \$23,400 for senior women and \$38,000 for senior men. Twenty-one percent of women in Medicare have incomes below 100 percent of the federal poverty level and 36 percent of women have incomes below 200 percent of the poverty level, compared with 15 and 30 percent of men respectively. As a result of lower-paying jobs in their working years, propensity for part-time jobs and absences in working years to raise families, senior women also have lower average Social Security and pension benefits than men.<sup>44</sup> And women make up 70 percent of beneficiaries who qualify for both Medicare and Medicaid.<sup>45</sup>



Source <sup>46</sup>

In addition to lower income, assets, and retirement benefits, women in Medicare are more likely to have multiple chronic and disabling conditions. Forty-nine percent of women beneficiaries have 3 or more chronic conditions compared with 38 percent of men. Twenty percent of women beneficiaries have two or more physical limitations compared to 15 percent of men.<sup>46</sup>

To ameliorate problems of cost-sharing and service gaps, Medicare beneficiaries obtain supplemental insurance. In fact, a full 89 percent of Medicare beneficiaries have supplemental coverage.<sup>47</sup> Compared to men, women in Medicare are less likely to have employer-sponsored supplemental health insurance (the main source of supplemental coverage) and are more likely to be enrolled in a Medicare Advantage plan.<sup>48</sup>

Women in Medicare are disproportionately low-income, have fewer resources, and suffer from more chronic conditions than men. Medicare's ability to provide meaningful and protective health insurance coverage is therefore critical to senior women's health and financial security. Health insurance reform will serve to strengthen the health care that senior women and all Medicare beneficiaries receive.

## Medicare Costs

### **Problem: Senior women shoulder an increasing financial burden to get the care they need.**

Medicare is the single largest payer within America's health care system, with expenditures in FY 2008 of \$386 billion that are projected to rise to \$797 billion by 2018.<sup>49</sup> The growth in Medicare spending is unsustainable. In fact, the Medicare Hospital Insurance Trust Fund, which pays for Medicare Part A, is now projected to be exhausted in 8 years, sometime during 2017.<sup>50</sup> Without any changes, there will not be sufficient assets to pay for benefits, threatening access to Medicare for seniors.

The rise in health care costs is not just borne by the Federal government. Through premiums, cost-sharing and other out of pocket expenses, America's seniors shoulder an ever-increasing share of the burden. Since 2000 the Medicare Part B monthly premium has grown from \$45.50 to \$96.40 and it is projected to grow to \$131.40 in 2018.<sup>51</sup> This expected growth amounts to an extra \$1,577 per year out-of-pocket for premiums alone.

Part of the rise in Medicare costs – and in premiums for seniors – stems from extra subsidies to private insurance companies. Medicare Advantage is the part of the program that allows beneficiaries to receive services via private plans. Medicare currently overpays private plans by an average of 14 percent, with overpayments as high as 20 percent in certain parts of the country.<sup>52</sup> However, there is no evidence that this extra payment leads to better quality for Medicare beneficiaries.<sup>53</sup> Insurers, not beneficiaries or the Medicare program, determine how these overpayments are used – and this includes marketing, profits, and other administrative costs,<sup>54</sup> meaning that seniors do not always get the full overpayments back in the form of extra benefits.

Extra subsidies to Medicare Advantage plans are a problem for all Medicare beneficiaries, who must pay the price of these insurance subsidies through higher premiums – even if they are not enrolled themselves in a Medicare Advantage plan. In fact, these subsidies will add \$3.60 per month to premiums for all Medicare beneficiaries in 2010.<sup>55</sup> This means that a typical older couple in traditional Medicare will pay almost \$90 next year on average to subsidize private insurance companies who are not providing their health benefits.

Out-of-pocket expenses for health care services in Medicare also continue to rise. It has been estimated that the typical older couple may need to save \$300,000 to pay for health care costs not covered by Medicare alone.<sup>56</sup> Women shoulder a disproportionate share of these out-of-pocket expenses because they have lower incomes and require greater medical care. Senior women spent on average 17 percent of their income on health care in 2005, compared with 15 percent of income for men.<sup>57</sup> High out-of-pocket costs place senior women at heightened risk for medical debt and can force them to make decisions based on finances rather than health.

### **Solution: Make Medicare financially sound and affordable.**

#### ***Lower premiums and extend the solvency of Medicare.***

Health insurance reform will reduce overpayments to private plans and clamp down on fraud and abuse to bring down premiums for all seniors and extend the life of the Medicare trust fund by five years.<sup>58</sup> This will make health care more reliable, affordable, and accessible for seniors.

#### ***Limit cost-sharing.***

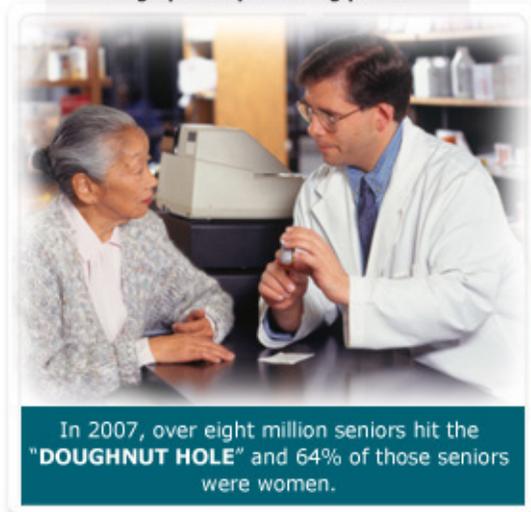
Health insurance reform will ensure that senior women do not have to pay to obtain needed preventive services. Health insurance reform will also limit cost-sharing requirements in Medicare Advantage plans to the amount charged for the same services in traditional Medicare.

#### Escalating Health Care Costs



Source <sup>56</sup>

#### High prescription drug prices



Source <sup>59</sup>

#### **Problem: High prescription drug prices.**

Rising drug costs also contribute to the high out-of-pocket costs for senior women. A drug benefit was added to Medicare in 2006. However, its benefit includes a gap commonly called a “doughnut hole.” Under the standard Medicare drug benefit, beneficiaries in 2009 pay a deductible of \$295, then 25 percent coinsurance until total drug costs equal \$2,700. After that, coverage stops until out-of-pocket spending totals \$4,350. In 2007, over eight million seniors hit the “doughnut hole” and 64 percent of those seniors were women. Almost 30 percent of all women enrolled in Part D hit the “doughnut hole.” For seniors who are not low-income or have not purchased other coverage, average drug costs in the gap are \$340 per month, or \$4,080 per year.<sup>59</sup> Evidence

suggests that this coverage gap also reduces drug use, on average, by 14 percent<sup>60</sup> – posing a threat to management of diseases like diabetes or high blood pressure.

**Solution: Improvements to Medicare's drug benefit.**

In an historic agreement, the drug industry has pledged to provide seniors in the “doughnut hole” coverage gap with a discount of at least 50 percent for medication costs, saving thousands of dollars for some seniors.

***Access To Health Care***

**Problem: Imminent doctors' payment cut will limit access for senior women.**

Because of a flawed system for paying physicians, Medicare is scheduled to reduce its fees next year. This means a 21-percent cut in payments beginning on January 1, 2010. According to a recent survey by the American Medical Association, if Medicare payments are cut by even half that amount, or 10 percent, 60 percent of physicians report that they will reduce the number of new Medicare patients they will treat, and 40 percent will reduce the number of established Medicare patients they treat. In addition, more than two-thirds of physicians will forgo investments in their practice, including the purchase of health information technology.<sup>61</sup> This all translates to decreased access to needed services for our nation's senior women. Because senior women have high and disproportionate rates of chronic illness, it is of great importance that senior women have access to consistent and reliable sources of care.

**Solution: Protecting and improving access to health care providers.**

Health insurance reform will eliminate the 21 percent physician payment cut, ensuring that physicians will still be able to provide high-quality care for senior women.

**Problem: Jeopardized access to care in rural and underserved areas.**

Approximately 12 million seniors, of which 56 percent are women, lack access to a primary care provider because of shortages in their communities.<sup>62</sup> Rural providers in particular operate on thinner Medicare margins or larger negative margins than their urban counterparts,<sup>63</sup> giving scheduled provider payment cuts an even greater effect. Already more rural physicians and other providers are beginning to stop accepting new Medicare patients.<sup>64</sup>

**Solution: Medicare rural and underserved access protections.**

In addition to eliminating the 21-percent physician payment cut, health insurance reform extends key protections, like reimbursement floors and payment bonuses for providers to ensure access to care in rural and underserved areas. Health insurance reform also expands the health care workforce in currently underserved areas through programs such as the National Health Service Corps, and expands and enhances telehealth services in Medicare to promote access to the highest quality health care for senior women, no matter where they are located.

**Problem: Inadequate long-term care coverage for senior women.**

Long-term care is also an area that is not currently affordable or accessible for many seniors. It is estimated that 65 percent of those who are 65 today will spend some time at home needing long-term care services<sup>65</sup> – which costs on average almost \$18,000 per year.<sup>66</sup> However, contrary to popular belief, Medicare and most private health insurance only pay for long-term care for a short period of time, meaning that most people are at risk for paying out of their own income or assets for long-term care.<sup>67</sup>

**Persistent Long-Term Care Gap**



**\$18,000**  
IS THE AVERAGE COST  
FOR LONG-TERM CARE  
SERVICES

It is estimated that 65% of those who are 65 today will spend some time at home in need of long-term care services – which costs on average almost **\$18,000 per year.**

Source <sup>65</sup>

Because women live longer than men on average and are more likely to be widowed and live alone, coverage for nursing homes, assisted living and other long-term care facilities is critically important. In fact, 77 percent of Medicare beneficiaries living in long-term care facilities are women, and most of the difference in out-of-pocket costs between senior men and women are a result of long-term care costs.<sup>68</sup>

**Solution: Making high-quality, affordable long-term care a reality.**

Health insurance reform will create a new voluntary long-term care insurance program to help cover the costs of support services for the millions who need them. Legislation will also establish new reporting, accountability, and oversight requirements for nursing homes, and impose stiffer penalties on nursing homes with serious quality deficiencies.

## ***Medicare Prevention And Quality***

**Problem: Underused prevention for senior women.**

Many senior women do not receive recommended preventive and primary care, leading to less efficient and more expensive treatments. As described earlier, 20 percent of women aged 50 and over did not receive a mammogram in the past two years, and 38 percent of adults aged 50 and over have never had a colonoscopy or sigmoidoscopy.<sup>69</sup>

Seniors must pay 20 percent of the cost of any preventive service on their own. For a colonoscopy that costs \$700, this means that a senior must pay \$140 – a price that can be prohibitively expensive. This out-of-pocket requirement discourages use of measures that could catch cancers early and help the chances of survival.

**Solution: Improve prevention coverage.**

Health insurance reform will ensure that no senior will have to pay anything to receive recommended preventive services that will keep them healthier.

**Problem: Persistent quality problems for senior women.**

Medicare currently does not place enough of an emphasis on improving the quality of care. For example, nearly 20 percent of Medicare patients who are discharged from the hospital end up being readmitted within 30 days, and of those admitted for a medical condition, half did not have a physician visit between discharge from the hospital and readmission.<sup>70</sup> The Medicare Payment Advisory Commission estimated that Medicare spent \$12 billion on potentially preventable hospital readmissions in 2005.<sup>71</sup> A renewed focus on health care quality under health insurance reform will improve patient health and avoid preventable treatment costs.

**Solution: Quality improvements.**

Health insurance reform will develop national priorities on quality, standardize quality measurement and reporting, invest in patient safety, and reward providers for high-quality care, especially related to

patients discharged from a hospital. Investments in comparative effectiveness research will empower seniors and their doctors with information on which treatments work and which don't, so that they can make more informed decisions. Health insurance reform will also invest in advanced primary care services that will better coordinate and integrate care for our nation's seniors, to ensure that they get recommended treatments, particularly for chronic diseases.

**Conclusion**

Health insurance reform seeks to alleviate powerful roadblocks in the private health care system and in Medicare that prevent older and senior women, along with all other Americans, from getting the quality, affordable health care they need and deserve.

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