



Monday, July 9, 2012

Dear Member of Congress:

As the U.S. House of Representatives prepares to vote this week on the repeal of the Patient Protection and Affordable Care Act (ACA), I am writing to make AARP's position clear on this matter. While we respect the views of those who do not support the ACA, AARP opposes the repeal of the ACA because this landmark law is already improving the health and financial security of our members and all Americans.

AARP wholeheartedly supports the ACA and continues to work on the implementation of the law. The Affordable Care Act includes key protections and provisions important to our members and all 50-plus Americans. It cracks down on Medicare fraud, waste and abuse, which has resulted in the recovery of over \$4.1 billion dollars for the taxpayers. The law helps those with Medicare with high drug costs by gradually closing the Medicare prescription drug coverage gap, or "doughnut hole." As you may know, 5.3 million individuals on Medicare Part D have saved \$3.7 billion since the ACA law was enacted. In the first five months of 2012, 745,000 individuals with Medicare saved a total of \$485.3 million on prescription drugs in the doughnut hole coverage gap for an average of \$651 in savings per person this year. In addition, the ACA expands the number of individuals eligible for free preventive and wellness benefits. Over 32.5 million Americans on Medicare used one or more free preventive services in 2011.

The law also makes important insurance market reforms, such as eliminating pre-existing condition denials and establishing nationwide limits on age-based premium pricing. The law provides tax incentives for businesses and establishes "exchanges" to provide greater choice and transparency for businesses and individuals. For those individuals age 50-64, in addition to the many benefits described above, affordable health care insurance will be available through the "exchanges". The ACA also caps out-of-pocket costs for individuals and families and allows young adults to stay on their parents' insurance policies until they are 26 years old. In 2011, approximately 2.5 million more young adults aged 19-25 have private health insurance compared to the number of young adults who would have been insured without the law.

Our members believe that Medicare must be protected and strengthened for today's seniors and future generations. Importantly, the ACA law extends the solvency of Medicare. The 2012 Medicare Trustees Report included a Part A solvency date of 2024, the same as the 2011 report. ACA also included many

provisions to strengthen Medicare's fiscal outlook, including removing overpayments to private Medicare Advantage plans, improving provider payment accuracy, encouraging better coordination of care to minimize duplication of tests and improve outcomes, and empowering CMS with new tools to fight health care fraud.

We are pleased that the Supreme Court found the majority of the Affordable Care Act constitutional, but we remain concerned about the availability of affordable health care for low-income Americans in light of the Court's decision to give states the option to participate in the Medicaid expansion. The Medicaid expansion requirement would have ensured health care coverage for 17 million people and reduced the costs of health care throughout the country.

AARP looks forward to the continued implementation of the ACA. AARP will continue to be a source of information and support as Americans navigate the benefits of the law. We appreciate that many have strongly held views on the law, but we believe the repeal of the ACA would result in the loss of critical health and financial protections for older Americans and their families. As health care continues to present many challenges, we look forward to working constructively with this Congress to strengthen Medicare, and to improve the entire health care system. If you have any questions, feel free to call me, or please have your staff contact Joyce Rogers, Senior Vice President of Government Affairs at 202-434-3750.

Sincerely,

A handwritten signature in black ink that reads "A. Barry Rand". The signature is written in a cursive, flowing style.

Addison Barry Rand