



Republican Plan Will End Medicare As We Know It and Force New Jersey Seniors to Pay More for Health Care

The Republican budget would end Medicare as we know it by moving seniors from guaranteed benefits to a voucher program that sticks them with higher health care costs. For the third budget in a row, Republicans have made it clear that they would rather rely on seniors to shoulder the burden of deficit reduction than close even one tax loophole that benefits wealthy special interests. The consequences for seniors are devastating.

1,379,196 New Jersey seniors would be forced out of traditional Medicare and into a voucher program. Under the Republican plan to end Medicare as we know it, all New Jersey seniors will receive a voucher instead of guaranteed benefits under traditional Medicare beginning in 2024. For the 1,379,196 New Jerseyans aged 45-54 at the time of the most recent Census, the value of their vouchers would be capped at growth levels that are lower than the projected increases in health care costs. Previous analyses showed that this type of plan would cut future spending by \$5,900 per senior, forcing them to spend more out of pocket and diminishing their access to quality care. Private insurance plans will aggressively pursue the healthiest, least expensive enrollees, thereby allowing Medicare – currently the lifeline for 1,378,274 New Jersey seniors – to “wither on the vine.” [House Republican Budget, [3/12/13](#); CAP, [3/20/12](#); Census, accessed on [3/10/13](#); KFF, accessed on [3/10/13](#)]

169,373 New Jersey seniors would pay more for prescription drugs next year. The Republican plan would re-open the “donut hole,” forcing seniors to pay the full cost of their prescription drugs if their yearly drug expenses are more than \$2,970 for the year. Seniors reaching the prescription drug “donut hole” would pay an average of \$828 more in prescription drug costs in 2014 and approximately \$13,000 more between 2014 and 2022 than under current law. [CMS, [2/17/13](#); HHS, [9/17/12](#); CMS, [4/2/12](#)]

1,056,243 New Jersey seniors would be forced to pay for preventive health services. By repealing health reform, the Republican plan will require that the 1,056,243 New Jersey seniors who utilized free preventive services currently covered by Medicare in 2012, be required to pay deductibles, co-insurance, and copayments for certain services, including cancer screenings and annual wellness visits. [CMS, [2/17/13](#); HHS, [9/17/12](#); CMS, [4/2/12](#)]

Republican budget slashes \$16.18 billion in health care for New Jersey seniors, reducing access to nursing home care. The Republican budget slashes \$16.18 billion in nursing home care and other health care services for seniors and the disabled. Over 280,100 New Jersey seniors and disabled currently rely on Medicaid for their long-term care needs. The draconian cuts included in the Republican budget could have a devastating impact on the 362 certified nursing homes in New Jersey that serve 45,766 seniors and disabled, with more than half relying on Medicaid as their primary payer. As a result, nursing homes would be forced to slash services, turn away seniors, or close their doors. [KFF, [6/12](#); KFF, accessed on [3/10/13](#); KFF, accessed on [3/10/13](#)]