

How Health Insurance Reform Could Affect You

Do you have health insurance now?

Yes

You can keep your insurance if you like it

- Your insurance company will not be able to terminate your policy when you become ill and use your benefits, or place lifetime limits on your benefits. (2010)
- Annual benefit limits are restricted this year and banned in 2014.
- Your group health insurance company will not be able to exclude your children due to pre-existing conditions. (2010) As of 2014, insurance companies will be prohibited from excluding consumers with pre-existing conditions or refusing to offer certain treatments for them.
- Your insurance company will be restricted from discriminating among consumers based on gender, health status, health history. Rates may vary only by geography, family size, tobacco use, or age (3:1). (2014)
- In group plans offering coverage for dependents, coverage for your children will continue until they reach age 26, if you wish. (2010)
- Your insurance company will be required to report on the amount of premium income it spends on actual medical services (2010). By next year, the company will be required to issue you a rebate if it spends less than 85% of its premium income on medical services rather than on administration and profit. (The requirement is 80% for plans in the individual and small group market.) (2011)
- Your state will be provided with grants to set up consumer assistance and ombudsman programs. (2011)
- Your insurance company will be required to justify to the Secretary of Health and Human Services any unreasonable rate increases; states will determine whether to exclude such companies from the health care exchanges when they open up.

No

Have you been unable to afford health insurance?

- If your family's income is less than 400% of the federal poverty line (about \$88,000 for a family of four or \$58,000 for two) you will qualify for a tax credit to help pay for your premiums. There will also be a cap on the amount of out-of-pocket expenses (co-pays and co-insurance) you will be expected to pay. (2014)
- If your family's income is less than 133% of the federal poverty line (about \$29,000 for a family of four or \$19,000 for two) you will qualify for Medicaid. Under the bill *any individual or family* in this income range (except those who qualify for Medicare) will be able to access medical care through Medicaid, regardless of their states' previous restrictions on coverage. (2014)
- If you are under age 30, you will be eligible to buy a lower priced "catastrophic care" plan, with a high deductible. Preventive care (check-ups, etc.) would also be covered by these plans.
- If your family's income is above 400% of the poverty line, and you cannot find health insurance that costs no more than 8% of your household income, you will be excused from the requirement to purchase insurance, and you will be eligible for the high deductible insurance described above. You may also use your employer's health insurance contribution toward your purchase of a plan through the exchange. (2014)
- More employers will offer health insurance benefits to employees and their families. Small employers may be eligible for a tax credit covering 35% of the premiums. (2010)
- Health insurance exchanges will open in 2014 for individuals and small employers. Standardized insurance packages will be offered through the exchange; they will have to compete on price and customer service.

FRIENDS COMMITTEE ON NATIONAL LEGISLATION

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You can change to a new plan if you prefer

- All plans will have to accept all consumers; you will not be excluded from the plan of your choice. Companies cannot charge more based on your health history. (2014) As of this year, plans may not exclude children based on pre-existing conditions. (2010)
- Individuals and small employers will be able to “shop” for insurance in the health insurance exchanges. (2014)
- All new health plans for groups and individuals will have to cover preventive health services without co-insurance or co-pay charges. (2010)
- New group and individual plans will have to offer effective internal and external appeals processes. (2010)

Have you been excluded due to a pre-existing condition?

- A temporary government-sponsored plan will offer insurance for people who are excluded from private plans due to pre-existing conditions. (2010)
- Your insurance company will not be able to exclude your children due to pre-existing conditions. (2010)
- Within three years, no insurance company will be able to exclude consumers based on pre-existing conditions, or limit treatments or coverage based on health status or pre-existing conditions. (2014)
- Insurance companies will not be able to terminate policies due to participation in clinical trials, or refuse to cover normal medical procedures due to participation in clinical trials.

Do you have Medicare?

- All Medicare recipients enrolled in the Part D prescription drug benefit will receive a \$250 rebate this year to help with the cost of the “donut hole” of un-reimbursed prescription costs. In addition, drug companies have agreed to provide a 50 percent discount to seniors who have reached the un-reimbursed level. Additional steps will close the donut hole in future years. A typical person who reaches the “donut hole” will save \$700 in 2011 and more than \$3000 by 2020.
- The formulary for Part D is improved to ensure that senior will receive necessary prescription drugs.
- No co-pays or deductibles for preventive care services.
- Private plans offered under Medicare Advantage will be required to spend 85 percent of their premium income on medical services instead of on administration and profit.
- Enhanced measures for accountability in nursing home care, and greater attention to fraud and abuse in the Medicare program will protect seniors seeking quality care.
- More support for medical training and incentives for primary practice will make more doctors available to Medicare patients.

Will I have to buy insurance?

Basically, if you can, you will be required to buy a qualified health insurance plan as of 2014. There are subsidies, exemptions for poverty and hardship, and religious objections. If these don't apply to you and you choose not to buy insurance, your taxes will increase by \$95 in 2014, \$325 in 2015, and \$695 in 2015.

What's in it for Everyone?

- Investments in community health centers will enable them to see twice as many patients, relieving the pressures on hospitals and emergency rooms.
- Investments in medical education, emphasizing careers in primary medical care, will bring more medical providers into basic health care.
- Preventive services available without co-pay to Medicare, Medicaid, and consumers with new insurance plans will encourage people to stay healthy, instead of waiting for serious or contagious illnesses to strike before seeking care.