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The Health Care Law: What's in it for All of Us

The Affordable Care Act gives millions of Americans access to reliable, high quality health care, while keeping costs in check. This guide summarizes key provisions of the law by the year they go into effect.

Provisions that began in 2010

Coverage for kids with pre-existing conditions, and new options for young adults

Insurance companies can no longer deny coverage to children due to a pre-existing condition like asthma or diabetes. And young adults can now stay on their parents' insurance plan up to age 26, regardless of whether that young adult is married.

No more lifetime caps and annual limits

Insurance companies can no longer set lifetime limits or unreasonable annual limits on the dollar value of benefits. This is important for Americans with health conditions that require expensive medications and treatments. Lifetime caps are now prohibited effective 2010. And, all annual limits will be completely banned by 2014.

Keeping your coverage when you get sick

Thousands of people with health insurance have fallen ill only to find that their insurance companies suddenly cancel their coverage. This process, where an insurance company drops an enrollee, also called rescission, is now prohibited.

Better prescription drug coverage for seniors

In 2010, more than one million seniors received \$250 checks to help pay for their Medicare prescription drug coverage. The checks were paid to seniors who fell into the coverage gap known as the "doughnut hole." The doughnut hole will be eliminated by 2020 (see 2011 for more about improved drug coverage for seniors).

Tax credits for small businesses

Health Insurance tax credits are now available for businesses with 25 or fewer employees and with average wages below \$50,000. The credit will cover up to 35% of the employer's contribution to employee health benefits. In 2014, the credit will cover up to 50% of premium costs for participating employers.

No-cost preventive care

Preventive care, like immunizations, blood tests and mammograms, is now free of charge. Medicare and private health insurance plans can no longer require cost-sharing, like co-pays, for preventive care. By improving access to preventive services, doctors can treat their patients' health care needs at earlier stages and better prevent dangerous consequences.

Retiree health benefits

Employers can apply for subsidies to help cover the cost of retiree health benefits, until retirees are eligible for Medicare. The subsidies can cover up to 80% of retiree costs.

Regulating premium increases

Federal and state governments are now reviewing annual premium increases. Insurance companies are required to justify premium increases to regulators, and to post this information on the web. Insurance companies with unfair premium increases may be excluded from participating in the state insurance exchanges, a form of "one-stop shopping" for insurance that begin in 2014. The exchanges will offer new insurance options for families and small businesses.

New option for adults with costly medical needs

Until 2014, adults who are refused an insurance policy because of a pre-existing condition can purchase subsidized health insurance from a new nationwide high-risk pool. Participating insurance plans must pay at least 65% of medical costs. Starting in 2014, insurance companies will no longer be allowed to refuse coverage for adults due to a pre-existing condition.

Requiring insurance companies to spend your premium payments on medical care

Insurance companies must now meet new efficiency standards, saving you money. Starting in 2011, if insurance companies spend more than 15% to 20% of your premium payments on non-medical costs, like administration, they must offer you a rebate.

Federal Medicaid help for states and low income families

States are now approved to provide Medicaid coverage to adults with or without children up to 133% of the federal poverty level. States that do so will receive current federal matching rates to cover additional costs. Medicaid is a joint federal-state health care program.

2011 and beyond

Better and fairer insurance coverage for all Americans

Starting in 2014, insurance companies cannot deny coverage to anyone based on pre-existing medical conditions. They cannot consider your health status when setting the price of your premiums. The maximum time a person will have to wait for their coverage to take effect will be 90 days. And, new regulations will require insurance companies to more fairly distribute costs so that people trying to buy insurance are not “priced out” of the market.

Health insurance tax subsidies for families

In 2014, middle income individuals and families earning less than 400% of the federal poverty level will receive subsidies to help them purchase health insurance. These subsidies will lower the cost of premiums. Out-of-pocket expenses will also be reduced for these individuals and families.

Improving the Medicare Rx drug program

Medicare enrollees in the “doughnut hole” can get 50% discounts on all brand-name drugs in 2011. The “doughnut hole” – the gap in coverage in Medicare’s prescription drug program – will be eliminated by 2020.

Less insurance company paperwork

Starting in 2013, insurance companies must use simpler and standardized paperwork. Reducing and eliminating complex paperwork will improve efficiency and communications between health care organizations, doctors, and insurance companies.

Purchasing health insurance across state lines

In 2016, two or more states can allow qualifying health insurance plans to be purchased across state lines.

New options for insurance – state health insurance exchanges

Starting in 2014, states will launch new health insurance “exchanges” for individuals and small businesses to purchase health insurance. Insurance offered in these “exchanges” will meet standards for benefits, quality, and reliability. Consumers will be able to keep their existing insurance, or purchase new coverage options in the “exchange.”

Members of Congress and their staff will be required to get their coverage through their state’s exchange.
Finally, we’re all in this together!

Learn more about the health care law at: www.HealthCare.gov or www.CuidadodeSalud.gov

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The **National Physicians Alliance Foundation** thanks you for taking the time to learn about the new health reform laws. We intend for this summary to guide civil dialogue between health care providers, patients, families, and communities, as all of us have a stake in building a better health care system. To learn more about health reform and/or the National Physicians Alliance Foundation, please visit our website: www.npafoundation.org