

Facts About the Health Reform Law

Vote! Your health care depends on it.



Current Benefits and Protections of Health Reform

The health reform law provides basic consumer protections and helps make health care coverage more secure for our families by ensuring no one can be denied coverage due to a pre-existing condition, like asthma for a child or breast cancer for a mother, or lose coverage or be forced into bankruptcy when someone gets sick. The health reform law also requires that members of Congress get their health care coverage from the same plans as millions of Americans.

Some of these changes and improvements under health reform have already been implemented over the last two years, while the rest will be put into place by 2014. Below is information about the current benefits and protections already in place, thanks to the health reform law.

Protections and Benefits for Children and Young Adults: The health reform law provides two major new benefits to children and young adults: protection from denial of coverage, and expansion of coverage.

- Insurance companies can no longer deny coverage to children up to age 19 with pre-existing conditions.
- Insurance companies must cover children's regular wellness visits, immunizations, flu vaccines, and screening/counseling for such issues as obesity, anemia, and depression.
- Young adults may stay on their parents' insurance until age 26 if their employer does not provide them with insurance.

Basic Consumer Protections: With passage of the Affordable Care Act, consumers finally have relief from an insurance industry that has rigged the system in its favor. The law now holds insurance companies accountable and ends long-standing harmful practices. Consumers now have these protections:

- Insurance companies cannot "rescind" or drop coverage because of illness.
- Insurance companies can no longer place "lifetime limits" on the coverage they provide.
- Insurance companies must spend 80 - 85% of the insurance premiums you pay on health care.

New Benefits for Women: Being a woman just got a little easier. As of August 1, 2012, new and renewing health insurance plans must provide women access to basic prevention-related health services without paying more out of their own pocket. These services include:

- Annual well woman visit.
- Birth control, including oral contraceptives and IUDs.
- HIV and sexually transmitted infection screening and counseling, screening for gestational diabetes, breastfeeding consultation and supplies including breast pumps, and domestic violence screening and counseling.

Benefits for Seniors, Improvements to Medicare: The health reform law protects Medicare benefits for seniors and strengthens the program for future generations by aggressively cracking down on waste, fraud and abuse, ending handouts to insurance companies, and providing free preventive care with no co-pay. New benefits include:

- Preventive services, like wellness exams and mammograms are covered at no cost now.
- The Medicare Part D prescription coverage gap, or "donut hole," gets smaller each year and will be closed by 2020.
- If you fall into the donut hole you get a 50% discount on brand-name drugs and discounts on generics.

In addition to other benefits like improved post-hospital care and increased quality of care, the law aims to reduce Medicare fraud and waste – efforts that put more money back into Medicare.

New Insurance for "Uninsurable" Consumers with Pre-Existing Conditions: The health reform law established a federally funded pool of health insurance for consumers who have been denied coverage due to pre-existing conditions. In Illinois, the federally-funded pool is known as the Illinois Pre-Existing Condition Insurance Plan (IPXP). IPXP is a transitional insurance program for uninsured Illinois residents.

Benefits to Businesses: A tax credit for small businesses and non-profits, which covers up to 35 percent of the premiums a small business pays, took effect in 2010. In 2014, the tax credit will increase up to 50 percent.

By January 1, 2014, the remaining critical components of national health reform will be implemented – as long as we exercise our constitutional right to vote in November and make sure we elect officials who will protect and expand access to health care, not seek to defund or repeal national health reform.

Health Reform Benefits to Come and How to Make Them a Reality

The most far-reaching benefits of the health reform law – *the expansion of affordable health insurance coverage to millions of Americans, and even greater consumer protections* – will be implemented in 2014. The expansion of health insurance coverage will come from two sources:

- The Health Benefits Exchange, where individuals, families, and small businesses will purchase their health insurance coverage, get subsidies to make insurance more affordable, and gain new consumer protections.
- Expanded Medicaid programs for low-income individuals.

The health reform law leaves these major components up to the individual states, giving states tremendous rights and responsibilities for implementing the Exchange and expanded Medicaid program. The important role that the states will play in implementing health reform makes state-level elections just as important as the elections for national office.

The Health Benefits Exchange – Affordable Insurance and New Consumer Protections: The Health Benefits Exchange is a competitive insurance “marketplace” where individuals and small groups will go to get their health insurance starting January 1, 2014. Consumers will be able shop for health insurance in the Exchange through a website, phone number, or community “navigators.”

Through the Health Exchange, consumers will be able to see if they qualify for Medicaid or insurance premium subsidies, compare insurance prices and options, and purchase health insurance. Plans offered through the exchange are subject to certain standards and regulations and must include “essential benefits.”

Here are the benefits (to begin in 2014) of the Exchange:

- The Exchange will offer plans that allow you to keep your doctors.
- Quality and affordable plans on the Exchange can't deny coverage due to pre-existing or chronic conditions.
- Plans on the Exchange must include set basic benefits.
- The Exchange is voluntary; if you like what you have you can keep it.
- Plans on the Exchange won't be able to charge women higher rates than men.
- If you lose your job, coverage, or want to start a business, the Exchange is there for you.
- Strong oversight will protect you from misleading information and hidden costs.
- The Exchange gives individuals/small businesses equal purchasing power as big employers.
- Members of Congress will be purchasing their health insurance from the exchange.

Making Health Insurance Affordable – Premium Subsidies: Beginning in 2014, health insurance premium subsidies will be available for people under age 65 who purchase coverage on their own in a health insurance Exchange. Subsidies will be available to individuals and families who earn up to 400% of the Federal Poverty Level (about \$44,680 for an individual and \$92,200 for a family of four). You can use this website to see if you would qualify for a premium subsidy at: <http://healthreform.kff.org/SubsidyCalculator.aspx>

Medicaid Expansion: Millions of currently uninsured low-income individuals will be able to qualify for Medicaid in 2014 as a result of health reform. The Medicaid program is currently only for low-income people who also meet certain categorical eligibility requirements (such as age, pregnancy, and disability status). Under health reform, Illinois will expand Medicaid so that it no longer has categorical requirements. Under expanded Medicaid, anyone who earns less than 139% of the Federal Poverty Level will be eligible (about \$15,000 for an individual). The federal government will cover 100% of the state's cost for new enrollees under expanded Medicaid for the first three years, and then 90% for subsequent years.