What Women Get from Health Reform in 2010: The Top 10 List

Updated September 2010

1. **Insurance companies will be prohibited from canceling our policies if we get sick.**
As a result of the new law, insurance companies cannot cancel your policy in the event that you get sick, a process known as rescission. Insurers are also prohibited from cancelling your policy if your employer made an unintentional mistake on your paperwork. In the past, insurance companies could search for an error or other technical mistake in your application and use it to deny payment for services when you needed them. The new law makes this illegal. Now, the only way that a policy can be canceled is if the insurance company can prove intentional fraud. If insurers want to rescind coverage, they must provide at least 30 days advance notice to give people time to appeal their decision.

> *How soon can families take advantage of this section of the new law?* The new protection against unfair rescissions will apply to you on or after September 23, 2010—whenever your new health plan year starts. If you have job-based coverage, your plan year will begin on the date that the policy is renewed or the date that your employer buys a new policy. If you've purchased a policy on your own in the individual market, the policy year may begin on the anniversary date of when you bought the policy, the date that the plan begins calculating your annual expenses to meet a deductible or the beginning of the calendar year.

2. **Insurance companies will no longer be able to set lifetime limits or "unreasonable" annual limits on the amount of medical care they will cover under our existing policies**.
The new law will prevent insurance companies from setting lifetime limits on the dollar amount of health care they will cover, and then ending your coverage when you hit that limit. Insurers will also be restricted from setting "unreasonable" annual limits on the amount of medical care that they will cover under your existing policies.

> *How soon can families take advantage of this section of the new law?* The protection against coverage limits will take effect for you on or after September 23, 2010, depending on when your health plan year starts again. If you have job-based coverage, your plan year will begin on the date that the policy is renewed or the date that your employer buys a new policy. If you've purchased a policy on your own in the individual market, the policy year may begin on the anniversary date of when you bought the policy, the date that the plan begins calculating your annual expenses to meet a deductible, or the beginning of the calendar year. Annual limits will be completely prohibited in 2014.

3. We will be able to keep our dependent children on our family policies until their 26th birthdays, unless they get coverage through their employers.
On or after September 23, 2010, adult children will be able to stay on their family health insurance policies until age 26, unless they are offered health insurance by an employer. Young adult children are eligible to stay on family policies even if they are no longer a student, no longer live at home, are financially independent or are married (although their spouse cannot be covered under this provision).

How soon can families take advantage of this section of the new law? This provision applies to insurance policies at the beginning of the first plan year starting after Sept. 23, 2010. This means that if the next plan year begins in October 2010, the provision would apply almost immediately. But, if the next plan year doesn't start until January 2011, the policy would go into effect then. Some insurance companies have voluntarily moved up the start date of this provision, so that graduating college students did not lose coverage over the summer, but not all employers have agreed to offer it sooner. Contact your employer's human resource department to find out when your family will be eligible.

4. **People on Medicare Part D whose prescription drug expenses are high enough to put them into the non-reimbursed "donut hole" this year will be eligible for a $250 rebate this year. (The donut hole will be closed completely over time**.)The "donut hole" refers to the situation encountered by people who have Medicare Part D coverage and have exceeded the Part D initial coverage limit of $2,830 in drug costs, forcing them to pay out of pocket for prescriptions. The new law offers provides a $250 rebate to seniors who have already fallen into the donut hole.

How soon can families take advantage of this section of the new law? The first rebate checks were mailed in June, and will continue monthly throughout 2010 as seniors hit the coverage gap. Beginning in 2011, the Act institutes a 50 percent discount on brand name drugs for seniors in the donut hole, and the Act will completely close the donut hole for all prescription drugs by 2020.

5. **We will have a streamlined choice of health care providers and get easier access to them.** We are now guaranteed the right to choose any available participating primary care provider for ourselves or our families and any available participating pediatrician for our children. Importantly, now insurance companies cannot require women to get a referral for ob/gyn care.

How soon can families take advantage of this section of the new law? These new policies (including the elimination of ob/gyn referrals) apply beginning on September 23, 2010 to all newly issued plans or an existing plan to which substantial changes have been made.

6. **All new insurance plans will be required to cover preventive health care and screenings (such as pap smears and mammograms) without any cost sharing (like co-payments or deductibles).** The new law requires all new private insurance plans written after mid-September 2010, or any existing plans to which substantial changes have been made, to cover several categories of preventive services without any cost sharing (including co-payments, coinsurance and deductibles for all expenses that must be met before coverage kicks in). The categories of services to be covered include preventive care and screenings as recommended by the Department of HHS. HHS recently released a list of covered preventive services including many important services like breast cancer screenings, mammograms and STI screenings, but excluding contraception. RWV has submitted comments to HHS requesting that they include contraception in the list of covered preventive services.

How soon can families take advantage of this section of the new law? **These provisions** apply beginning on September 23, 2010 to all newly issued plans or an existing plan to which substantial changes have been made. In the future, all plans within the health insurance exchanges (to start in 2014) will also be required to follow this rule.

7. **Small businesses and non-profits (25 or fewer workers) with low-wage workers (under $50,000) are eligible for tax credits to help them buy health coverage for employees**. If your employer has fewer than 25 employees, it may qualify for a small business tax credit of up to 35% (up to 25% for non-profits) to help with the costs of providing employee health insurance.

How soon can families take advantage of this section of the new law? On the week of April 19, millions of small employers received postcards from the IRS to alert them about the new

Small Business Health Care Tax Credit and encourage them to check their eligibility. However, if your employer didn't receive a postcard, they can still find out if they are eligible at www.irs.gov.

8. **Children with pre-existing conditions cannot be denied coverage**. Employer-based health plans and new individual plans won't be allowed to deny or exclude coverage for your children if they are under age 19 and have a pre-existing condition and/or a disability. Starting in 2014, these plans won't be allowed to deny coverage for **anyone** (including adults) or charge them more for a pre-existing condition, including a disability.

How soon can families take advantage of this section of the new law? Starting on September 23, 2010, new plans and existing group plans will have to follow this new rule.

9. **Adults with pre-existing conditions now have new, more affordable coverage options through "high-risk" pools (or Pre-Existing Condition Insurance Plans, PCIPs)**. The Department of Health and Human Services has worked with individual states to establish temporary high-risk pools to provide health coverage to individuals with pre-existing medical conditions. The Pre-existing Condition Insurance Plan provides a new option for people who have been uninsured for at least six months, have been unable to get health coverage because of a health condition, and are U.S. citizens or are residing in the United States legally. Unfortunately, these plans so far do not include abortion coverage, except in cases of rape, incest or threat to the woman's life.

How soon can families take advantage of this section of the new law? National program was effective July 1, 2010, for more information on how to apply and what information is needed to apply, please see here: http://www.healthcare.gov/law/about/provisions/pcip/index.html and click on your state.

10. **Early retirees will be able to get more affordable health coverage until they are old enough to qualify for Medicare. This will be done through creation of a "reinsurance pool.**" In order to provide employer-based coverage for early retirees until more affordable coverage is available through the new insurance exchanges in 2014, the law creates a $5 billion program to help employment-based plans continue to provide coverage to people who retire between the ages of 55 and 65, as well as their spouses and dependents. This is particularly important to women who are more likely to have dependent coverage and often lose that coverage between the ages of 55 and 65 due to divorce or the death of a spouse.

How soon can families take advantage of this section of the new law? Applications for employers to participate in the program were made available on June 1, 2010. For the latest updated FAQ information regarding this provision please see here: http://www.hhs.gov/ociio/Documents/application_faq.html.

ADDITIONAL RESOURCES

Community Catalyst- Six Months In: Who is the affordable care act helping in your community?
http://www.communitycatalyst.org/doc_store/publications/Who_ACA_is_helping_8.2010.pdf

Familes USA- What will the new health reform law do in the first year?
http://www.familiesusa.org/assets/pdfs/health-reform/reform-in-the-first-year.pdf

Kasier Family Foundation- A Timeline of Changes: What Happens in 2010?

http://healthreform.kff.org/timeline.aspx

National Women's Law Center- September 23rd: An important day for women's health.
http://www.nwlc.org/resource/september-23rd-2010-important-day-women%E2%80%99s-health

Young Invincibles: Getting Covered: Take a quiz to find out how.
http://www.gettingcovered.org/

GOVERNMENT RESOURCES

HealthCare.gov
Provides consumers with state-by-state information about coverage options, access to the Pre-Existing Condition Insurance Plan, and explanatory materials on the health reform law and its implementation.
www.HealthCare.Gov

Centers for Medicare and Medicaid Services Health Reform Center
From the agency that oversees the Medicare and Medicaid Programs, this site includes links to reports, guidance, and regulations from Centers for Medicare and Medicaid Services.
http://www.cms.gov/Center/healthreform.asp

Department of Labor
The Employee Benefits Security Administration, within the Department of Labor, is involved in many aspects of the health reform law relating to employer-provided health benefits. This site has information about implementation, claims and appeals, compliance and much more. http://www.dol.gov/ebsa/healthreform/

Internal Revenue Service
Many provisions of the health reform law involves changes to the tax system, including new subsidies for insurance premiums, a small business tax credit, and enforcement of the individual requirement to obtain coverage. This site has regulations and guidance regarding those provisions.
http://www.irs.gov/newsroom/article/0,,id=222814,00.html