



AMERICAN OSTEOPATHIC ASSOCIATION

WHAT PATIENTS SHOULD KNOW

HEALTH CARE REFORM

Provision	Date of Enactment	Summary
Access to Insurance for Uninsured with a Pre-Existing Conditions	90 days after enactment	Provides uninsured Americans with pre-existing conditions access to coverage. The temporary high-risk pool will serve as a bridge to when the new health insurance Exchanges are up and running, at which point insurance companies will no longer be able to deny coverage based on pre-existing conditions.
Small Business Health Insurance Credit	Taxable year 2010	Provides a tax credit for qualified small businesses to help them afford insurance coverage for their workers. The credit is up to 35 percent of the employer's contribution to the employees' health insurance. There is also up to a 25 percent credit for small nonprofit organizations. In 2014, tax credits will be up to 50 percent of premiums for small businesses and up to 35 percent for non-profits who participate in the health insurance exchange.
No Discrimination Against Children with Pre-Existing Conditions	6 months after enactment	Prohibits new health plans in all markets and grandfathered group health plans from denying access to and coverage of children with preexisting conditions up to age 19.
Medicare Part D "Donut Hole"	2010	Provides a \$250 rebate check for Medicare Part D enrollees who hit the gap in prescription drug coverage known as the 'donut hole.' Currently, the coverage gap falls between \$2,830 and \$6,440 in total drug spending. Beginning in 2011, seniors who reach the donut hole will get a 50 percent discount on brand-name drugs and gradually increasing discounts on generic drugs. The donut hole will be closed completely by 2020.
Prohibits Dropping of Insurance Coverage	6 months after enactment	Prevents insurance companies from withdrawing coverage when a person gets sick as a way of avoiding covering the costs of enrollees' health care needs.
Eliminates Lifetime Limits on Insurance Coverage	6 months after enactment	Prohibits insurers from imposing lifetime limits on benefits.
Regulates Use of Annual Limits on Insurance Coverage	6 months after enactment	Regulates insurance plans' use of annual limits to ensure access to needed care in all group plans and all new individual plans. Applies to all new plans in the individual market and employer plans. In 2014, the use of annual limits will be banned for new plans in the individual market and all employer plans.
Coverage for Young Adults	6 months after enactment	Requires health plans that provide coverage for children to continue to make that coverage available until the child turns 26 years of age. The requirement applies to all plans in the individual market, new employer plans, and existing employer plans – unless the adult child has an offer of coverage through his or her employer. Both married and unmarried children qualify for this extended coverage. Beginning in 2014, individuals up to age 26 can stay on their parents' employer plan even if they have an offer of coverage through their employer.
Reducing Cost of Early Retirement	90 days after enactment	Creates a new temporary reinsurance program to help offset the costs of expensive premiums for employers and retirees for health benefits for retirees age 55-64. In 2014, retirees between 55-64 will be eligible to participate in the health insurance exchange.

Improving Consumer Information	July 1, 2010	Requires the Secretary of Health and Human Services to establish an Internet website through which residents of any State may identify affordable health insurance coverage options in that State.
Improving Consumer Assistance	Upon enactment	Requires the Secretary of Health and Human Services to award grants to States to establish health insurance consumer assistance or ombudsman programs to receive and respond to inquiries and complaints concerning health insurance coverage.
Appeals Process for Denial of Coverage	6 months after enactment	Requires new plans to implement an effective internal and external appeals process for coverage determinations and claims.
Health Insurance Transparency	6 months after enactment	With the exception of employers that self-insure, all health plans must report on the share of premium dollars spent on medical care versus other expenses, such as salaries and administrative costs – their medical loss ratio (MLR). Beginning not later than January 1, 2011, plans that exceed limits on overhead must provide consumer rebates if they fail to meet the MLR standard.
Long-Term Care Insurance	January 1, 2011	Creates a long-term care insurance program to be financed by voluntary payroll deductions to provide cash benefits to adults who become disabled.
Health Insurance Regulations	January 1, 2014	Implements strong health insurance reforms that prohibit insurance companies from refusing to sell coverage or renew policies based on an individual's health status. Insurers can no longer exclude coverage for treatments based on pre-existing health conditions. It also limits the ability of insurance companies to charge higher rates due to health status, gender, or other factors. Premiums can vary only by age (no more than 3:1), geography, family size, and tobacco use.
Health Insurance Exchange	January 1, 2014	Requires the establishment of health insurance exchanges in each State to the individual and small group markets. This new venue will enable people to comparison shop for standardized health packages. It facilitates enrollment and qualifies individuals for tax credits that make coverage more affordable.
Multi-State Insurance Option	January 1, 2014	Provides a choice of coverage through at least two multi-State plans offered through the health insurance exchange, available nationwide, and offered by private insurance carriers under the supervision of the Office of Personnel Management.
Tax Credits and Cost-Sharing	January 1, 2014	Makes premium tax credits and cost-sharing reductions available through the health insurance exchanges to help people obtain affordable coverage. Premium credits are available for people with incomes above 100 percent and below 400 percent of poverty (\$88,000 for a family of four) who are not eligible for or offered other qualified coverage.
Individual Responsibility	January 1, 2014	Requires most individuals who can afford it to obtain acceptable health insurance coverage or pay a fee to help offset the costs of caring for uninsured Americans. If affordable coverage is not available to an individual, they will be eligible for an exemption.
Ensures Coverage for Individuals Participating in Clinical Trials	January 1, 2014	Prohibits insurers from dropping coverage because an individual chooses to participate in a clinical trial and from denying coverage for routine care that they would otherwise provide just because an individual is enrolled in a clinical trial. Applies to all clinical trials that treat cancer or other life-threatening diseases.