



Federal Health Reform and Utah

New Rights for Consumers in the First 6 Months

A Utah Health Policy Project Issue Brief

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The Affordable Care Act (ACA) makes many changes to the insurance industry that will benefit consumers. What is not yet clear is how consumers can ensure their insurance company is in compliance with the new rules. While we wait for regulations, enforcement of the new law will fall heavily on existing state regulatory and enforcement authority, specifically the insurance commissioner. All insurers are required by law to notify consumers of changes in their rights. If you have any problems taking advantage of these changes, please contact the Utah Office of Consumer Health Assistance (OCHA) as a first step. Call OCHA toll free: 866-350-6242; Salt Lake Valley (801) 538-3077; or e-mail OCHA.uid@utah.gov. If OCHA can't answer your questions in a timely fashion, please contact UHPP: 801-433-2299.

Health Reform Provision: <i>What it Means</i>	Status of this Provision in Utah
<p>Insurers Cannot Deny Coverage to <u>Children with Pre-Existing Conditions</u>: <i>Insurers will have to cover all children who apply – no matter what their health status.</i></p>	<p>We've had one unfortunate consequence here in Utah: SelectHealth dropped its child-only policy (see details here), though Regence Blue Cross Blue Shield of Utah still offers a child-only policy. There was apparently nothing in the law preventing this. UHPP is working on a meeting with SelectHealth and a conversation with HHS. In the meantime, please contact UHPP to report any fallout from this decision. Note that families should still be able to purchase an individual family coverage plan regardless of their child's health status.</p>
<p>No more rescission (<u>everyone</u>): <i>Insurers can only rescind coverage in cases of actual fraud; no longer can your health coverage be canceled if you get sick.</i></p>	<p>Make sure you get a notice about this and that you understand your rights in this regard.</p>
<p>Free Preventive Care: <i>New private insurance plans will have to cover preventive services – such as screenings and tests – with no co-payments. This means that if you or your family enrolls in a new health plan on or after September 23, 2010, preventive services (see link at left) must be covered with no co-pay.</i></p>	<p>To learn about which services must be covered, click here.</p>
<p>Your Choice of Doctor Protected: <i>Protects your choice of primary care doctor, and also allows women to go directly to their OB/GYN without a referral.</i></p>	<p>Utah already allows selection of OB/GYN as primary care provider, though only for the small group and individual market. Now families who work for large employers can enjoy this same benefit. The Utah Insurance Department (UID) has posted model disclosure language for insurers to use when they notify consumers about this new right. Make sure you are getting these notices and that you understand your rights.</p>
<p>Ends Bureaucratic Hurdles to Emergency Services: <i>Prohibits insurers from charging more when you have to get emergency care outside the plan's network.</i></p>	<p>Utah had this "prudent layperson" standard in place for the small group and individual insurance market. Now the standard will apply to the entire market. The federal law will also create more uniform procedures for monitoring compliance.</p>



<p>No Lifetime limits on coverage. Insurers can no longer place lifetime caps on coverage.</p>	<p>See model language on this posted by UID. This will help families like Rochelle's.</p>
<p>Phase-in Ban on Annual Coverage Limits. Insurers can have annual coverage limit no lower than \$750K. Beginning in 2014 this annual coverage limit disappears entirely on essential benefits. Kids and adults with chronic health care needs will no longer worry about running out of their benefits while fighting their illnesses. You will have peace of mind knowing that coverage will be there when you need it most.</p>	<p>Your insurance company should begin to provide you notice about this change in your coverage shortly.</p>
<p>Dependent Coverage until age 26. Health plans must allow young adults to remain on their parents' insurance until their 26th birthday.</p>	<p>Utah had this in place already, though our law was more restrictive. Under the federal provision it doesn't matter if you are enrolled in school or not. Also, you can be married and stay on your parents insurance. As with Utah's current law, if you have access to insurance coverage through your employer then you cannot enroll on your parent's plan.</p>
<p>Changes Already Happening...</p>	
<p>Seniors will have lower prescription costs: a \$250 rebate will be issued to people enrolled in Medicare Part D who reach the 'donut hole.' The full donut hole closes by 2019.</p>	<p>Because this is a change to Medicare, this it will happen at the federal level. The rebate will happen automatically. If you, or someone you know, has trouble with the donut hole or questions about the rebate, you should contact your local SHIP (Senior Health Information Program): http://www.hsdaas.utah.gov/insurance_programs.htm 800-541-7735.</p>
<p>Small Business Tax Credits for small employers contributing at least 50% of the premium: The full 35% credit towards your employer contribution will be available to small businesses with fewer than 10 employees averaging less than \$25,000 annual wages. Small employers with fewer than 25 employees and average annual wages of less than \$50,000 are eligible for a sliding-scale credit.</p>	<p>See UHPP's Reform Nuts and Bolts for Small Business paper. Get more info here: www.irs.gov/newsroom/article/0,,id=220839,00.html. Calculate your tax credit here: http://smallbusinessmajority.org/tax-credit-calculator/</p>
<p>Insurance for People with Pre-Existing Conditions: the new Federal High-Risk Pool is open to individuals who are uninsurable due to pre-existing conditions. This is a stop-gap measure until the entire category of uninsurable goes away in 2014.</p>	<p>Utah has elected to run this new federal pool alongside its current state pool. To qualify for the federal pool, you must be uninsured for 6 months or longer. When you apply, be sure to ask which pool would be best to meet your needs. Here's the link to the federal pool: www.insurance.utah.gov/docs/HIPUtah/Federal-HIPUtah_Fact_Sheet.pdf. Link to the state pool: www.insurance.utah.gov/hiputah/whatishiputah.html. Be sure to check if you qualify for the state pool subsidy.</p>

Source note: Text in the left column based on material from Community Catalyst:
www.communitycatalyst.org/projects/implementing_reform