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What Reform? Health-Care Changes Confusing to Some

Many individuals and small businesses don't know how to take advantage of the Affordable Care Act.

By [Jesse Fruhwirth](#)

Rochelle Wenger knows exactly how federal health-care reform has benefited her. In 2009, after having multiple serious health issues cascade into a health catastrophe, the then 59-year-old wife of a retired rabbi reached her yearly insurance-benefit cap of \$250,000. On top of that, she paid about \$75,000 out of pocket in co-insurance, deductibles, premiums and the cost of care above her benefit cap. Worse yet: It was only July and she was still very sick.



"I ended up in the hospital again in July for a week, and I left before they wanted me to leave—sort of against doctor's orders—because I was watching the price tag on it," Wenger says. "There were several times I had some episodes [where] I should have gone to the ER, and all I could think about was the expense, so I did not go."

With yearly and lifetime-coverage caps eliminated by the Affordable Care Act, Wenger says those worries are gone.

Other consumers and employers are less certain of how they're affected by federal health-care reform, which won't be fully implemented until 2014.

Judi Hilman of the Utah Health Policy Project says that virtually every American has already benefited from the law—though they may not know how to take advantage of it. Also, she says, small businesses in particular should act soon to ensure they get a tax credit that starts this year.

A tax credit is available for small businesses that can be claimed on 2010 taxes for up to 35 percent of expenses paid to provide health insurance to employees. There are more than 64,000 Utah companies—71 percent of all companies statewide—that may qualify, according to data from the Utah Health Policy Project.

"We know small businesses are not taking advantage of that credit," Hilman says. She advises business owners to call their accountant or broker and ask specifically about the ACA tax credit. Also, Hilman says, in 2011, the ACA will make grants available to small businesses to implement wellness programs.

Hilman says the news of the tax credit is getting buried in misinformation and political "posturing" from opponents of health-care reform. For example, in February, Utah Attorney General Mark Shurtleff wrote a headline-grabbing letter to Utah Lt. Gov. Greg Bell that stated, "the state of Utah is not currently bound by any provision of the [Affordable Care] Act," as a result of a Florida judge's February ruling. Shurtleff nevertheless advised Bell to continue implementation of the ACA, warning that penalties may result if Utah hit the brakes, but that section of the letter didn't receive as much attention. Shurtleff's spokesman, Paul Murphy clarified that the individual mandate, which in 2014 will require uninsured individuals to purchase insurance, is the portion Shurtleff believes is illegal and "there is no harm for other parts of the law to be implemented."

But the noise caused by Shurtleff's comments that Utah is exempt from the ACA has nevertheless stuck in some people's memories, Hilman says.

There are very few areas where Utah will be allowed to customize the ACA to its own liking, Hilman says.

One aspect of ACA will be customized by each of the states: health-insurance exchanges, which are tools to help consumers compare and shop for insurance plans. While states like Oregon and Massachusetts are looking to contract directly with insurance companies to provide the best plans to residents who can't afford to purchase insurance without assistance, Hilman says Utah will likely leave the job of searching through dozens of complex plans to individual consumers.

On the one-year anniversary of the ACA, Hilman says the misinformation has led some small businesses to believe they have new obligations under the ACA. But there are no new obligations for small businesses, she says, only tax credits that make it easier to offer insurance to employees.

While there are Republican-led efforts to repeal the bill—based on complaints regarding the individual mandate and the cost of the law—Wenger defends it. After all, the ACA helped her narrowly avoid financial—or health—ruin. Her insurance company was almost ready to stop helping her—forever. "My insurance had a \$1 million lifetime limit," she says. "I had gone well over half of it already." And after the ACA kicked in? "I was able to go and get all the care I needed without worrying that it would put us back in worse debt."

ACA health-care changes in effect now:

For parents and young adults: Individuals can remain on their parents' insurance policy until the age of 26, regardless of whether the child is in school, financially dependent or married.

For everyone on Medicaid, Medicare or work-based insurance: Preventive-care services like wellness visits, flu shots, mammograms, pap smears, bone-mass measurements, colonoscopies, and screenings for diabetes, HIV and prostate cancer must be provided without a co-pay from the patient. For those with work-based insurance, this may already be in effect or go into effect this year.

Patients with pre-existing conditions: People who have been uninsured for at least six months and have a preexisting condition can now apply for a state plan operated in Utah by Select Health. For information, call 801-442-6660 or go to [SelectHealth.org](#).

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