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National Health Law Program

• National non-profit law firm committed to improving healthcare access and quality for low-income individuals
• Offices in Washington D.C., Los Angeles, and North Carolina
• Visit our website at: www.healthlaw.org
This presentation is made possible with support from:

Consumer Health Foundation and The Meyer Foundation
Why Do We Need Health Reform?

• Over 50 million people nationwide do not have health insurance, including 65,000 in DC; 1,003,000 in VA; 743,000 in MD

• Even if someone has insurance, it could be very expensive or not cover the services needed

• Many individuals with disabilities or certain expensive conditions (such as cancer) stop getting coverage if the services cost too much

• Health reform means millions more get quality, affordable health care
THE DOCTOR WILL SEE YOU NOW.

MILLIONS OF UNINSURED AMERICANS

HEALTH CARE REFORM 2010
Affordable Care Act (ACA) Topics

- Private insurance reforms
- Medicaid
- Health insurance exchanges/marketplaces
- Consumer protections
  - Essential Health Benefits
  - Preventive services with no cost-sharing
  - Anti-discrimination protections
- What you can do
Private Insurance Reforms

• If you get insurance through your employer, you may not notice any changes
• Parents can now insure their children up to age 26
• Insurers cannot:
  - Limit the amount of health services you receive (both per year or over your lifetime)
  - Raise their rates without explaining why
  - Deny, cancel or limit your coverage due to a pre-existing condition (children now, adults in 2014)
• Insurers must spent at least 80% of your premiums on services or provide a rebate
Health Insurer

YOUR EXCUSES FOR NOT PROVIDING ME COVERAGE HAVE BEEN DENIED...

HEALTH CARE REFORM
Coverage in 2014 and Beyond

<table>
<thead>
<tr>
<th>Medicaid Expansion</th>
<th>DC</th>
<th>MD</th>
<th>VA</th>
<th>Nationwide</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>21,000</td>
<td>220,000</td>
<td>(311,000)</td>
<td>17 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Health Exchanges*</th>
<th>144,100</th>
<th>405,000</th>
<th>546,000</th>
<th>24 million</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(16 mil. new)</td>
</tr>
</tbody>
</table>

* Includes newly insured individuals and others who switch from private individual coverage or employer-sponsored insurance.
Medicaid Today

• Medicaid is the nation’s largest health program. In 2009, an estimated 63 million individuals enrolled for some period of time

• Many individuals are eligible but not enrolled
  ➢ Encourage consumers to apply because they might be able to get insurance now!

• Medicaid offers more benefits than most private insurance at lower costs

• Enrollment tends to increase during economic downturns
Medicaid Today

- Medicaid eligibility has been based on 2 main concepts:
  - Being very low-income and not having a lot of savings/assets, and
  - Fitting into a “category” (for example pregnant women, children, elderly, people with disabilities)
  - Childless adults generally left out

- States **must** cover individuals who are in certain categories and have low-income; states **may** cover more people at higher incomes

- States and the federal government share the costs; for most expenses, federal funds pay at least 50 cents of each dollar
Medicaid Today

Children (0 - 18): 300
Pregnant Women: 300
Aged (65+), Blind & Disabled: 250
Adults (19-64): 200
Parents & Caretakers: 200

**Percent of Federal Poverty Level**

- **DC**:
  - Children (0 - 18): 300
  - Pregnant Women: 300
  - Aged (65+), Blind & Disabled: 100
  - Adults (19-64): 200
  - Parents & Caretakers: 200

- **MD**:
  - Children (0 - 18): 133
  - Pregnant Women: 250
  - Aged (65+), Blind & Disabled: 75
  - Adults (19-64): 116
  - Parents & Caretakers: 116

- **VA**:
  - Children (0 - 18): 80
  - Pregnant Women: 80
  - Aged (65+), Blind & Disabled: 0
  - Adults (19-64): 0
  - Parents & Caretakers: 30

**NHeLP**

National Health Law Program
Expanding Medicaid in 2014

- New eligibility for adults 19-64, not pregnant, not Medicare eligible
  - No other category requirement
  - Income to $15,856 (single) or $21,404 (married)
- New method to calculate income
  - Based on annual taxable income
  - No limit to an individual’s savings/assets
- Single, streamlined application with real-time verification and eligibility
Expanding Medicaid

• Supreme Court allowed states to chose whether to expand

• Federal government pays 100% of costs for newly eligible individuals for 2014-2016, then continues to pay most of the costs

• Individuals will receive “Alternative Benefit Package” coverage which must provide certain minimum benefits
  • “Medically frail” and certain other individuals may choose traditional Medicaid benefits
Coverage for Adults Today (Virginia)

- Parents & Caretakers
  - No Coverage: 100%
  - Medicaid: 0%

- Other Adults with no category or high income
  - No Coverage: 500%
  - Medicaid: 0%
Seamless Coverage for Adults in 2014 with Expansion (Virginia)
Coverage Gap for Adults in 2014 without Expansion (Virginia)
Where the States Stand: March 13, 2013
25 Governors Support Medicaid Expansion

Note: Based on literature review as of 3/13/13. All policies possible to change without notice. The District of Columbia plans to participate in Medicaid expansion and will operate its own exchange.

Children’s Coverage

- Beginning in 2014, children age 6 through 18 from 100% to 133% FPL can be enrolled in Medicaid
- CHIP must continue through 2019
- Continued coverage for children aging out of foster care system (until age 26)
Exchanges/Marketplaces

- Health insurance marketplaces with one-stop eligibility and enrollment for individuals and small businesses
- Three types:
  - State-operated
  - Federal/State Partnership
  - Federally-facilitated
Seamless Coverage for Adults in 2014 with Expansion (Virginia)

- Exchange
- Exchange w/ subsidies
- Medicaid Expansion
- Medicaid
Applying

• **Single application** for Medicaid, CHIP, or private insurance coverage (unless you get insurance through your employer)

• Can apply in person, over the phone, by web or mail

• All plans must provide the same information to help individuals easily compare plans

• Consumer assistance to help individuals fill out applications
Who Can Obtain Insurance Through the Exchanges?

• Eligibility basics – an individual must:
  - Live in the state
  - Be a citizen or a lawfully present immigrant

• Subsidies for lower income individuals
  - Help paying monthly premiums
  - Reduced deductibles, co-pays and other out-of-pocket costs
  - Only available if individual has no access to affordable insurance through employer, Medicare, Medicaid or CHIP

• Most individuals who do not get insurance will have to pay a penalty
Paying for Private Insurance – Individual

<table>
<thead>
<tr>
<th>Income Level (for an individual)</th>
<th>Maximum Premium Contribution (Annual)</th>
<th>Average Cost-Sharing Paid by Beneficiary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to $15,282*</td>
<td>$306</td>
<td>6%</td>
</tr>
<tr>
<td>$15,282 ≤ $17,235</td>
<td>$306 to $689</td>
<td>6%</td>
</tr>
<tr>
<td>$17,235 ≤ $22,980</td>
<td>$689 to $1448</td>
<td>13%</td>
</tr>
<tr>
<td>$22,980 ≤ $28,725</td>
<td>$1448 to $2312</td>
<td>27%</td>
</tr>
<tr>
<td>$28,725 ≤ $34,470</td>
<td>$2312 to $3275</td>
<td>30%</td>
</tr>
<tr>
<td>$34,470 ≤ $45,960</td>
<td>$3275 to $4,366</td>
<td>30%</td>
</tr>
</tbody>
</table>

* 2013 Federal Poverty Level data. The level will vary based on the size of the family and if they live in Hawaii or Alaska.

**NOTE:** The premium cap is based on the cost of the second-lowest cost silver plan available to the individual. An individual who enrolls in a more expensive gold plan would pay more. An individual who enrolls in a cheaper bronze level plan would have lower or no premium costs. Cost sharing reduction is only available with silver plans.
Monthly Premiums on the Exchange*

* Based on second cheapest silver plan at $500/month per person.
Confusion!!

- Enrollees choose between five levels of “qualified health plans” – bronze, silver, gold, platinum, catastrophic
  - Each level covers different percentages of health costs
  - “Bronze trap” – the bronze plan will have cheapest premiums so will look most attractive
  - **BUT** the best option for most low income individuals will be a silver plan
  - **WHY?** Federal CSR applies only to silver plans
  - So need to consider **BOTH** premiums and cost-sharing when choosing a plan
  - This is why “assisters” and consumer advocates will be critically important!
Essential Health Benefits

• All health plans must cover certain “essential health benefits”
  - 10 categories, such as prescription drugs and maternity services
  - Mental health parity

• Preventive services without cost-sharing:
  - Recommended screenings and counseling
  - Preventive care and screening for women (e.g. mammograms age 40+, domestic and interpersonal violence, cervical cancer)
  - Regular immunizations and some screenings and preventive care for children and adolescents

• Health plans must also provide wellness services and chronic disease management
Community Health Centers

- Health insurers in Exchanges must contract with “essential community providers” including community health centers.
- Community health centers will have to provide similar services & quality of care for their patients to want to continue seeking care when they have new alternatives.
- Remaining uninsured (mostly immigrants) will still seek care from safety net providers.
Health Disparities & Exchanges – Demographics

• More racially and ethnically diverse (11% African American, 25% Hispanic) than other privately-insured populations
  ➢ People of color comprise 50% of the 19 million non-elderly uninsured individuals eligible for Exchange subsidies

• About 23% speak a language other than English at home

• An estimated 4.8 million women will qualify for Exchange subsidies

• 37% of potential enrollees have gone at least 2 years without a check-up, 39% do not have a usual source of care, and 29% had no interactions with the health care delivery system in the past year
Nondiscrimination – ACA § 1557

- Extends existing federal civil rights laws prohibiting discrimination on basis of race, color, national origin, gender, age and disability to:
  - any health program or activity receiving federal financial assistance;
  - any program or activity administered by a federal executive agency; and
  - any entity established under Title 1 of ACA (e.g. Exchanges)

- Includes cause of action
- HHS Office for Civil Rights to issue regulations
Exchange Accessibility

• Culturally and linguistically appropriate services explicitly required for:
  ➢ Appeals notices
  ➢ Summary of Benefits and Coverage
  ➢ Navigators and certified application counselors

• Language services required in Exchanges and QHPs under Title VI and § 1557 because:
  ➢ Federal funds for Exchange subsidies
  ➢ Exchanges created under Title I of the ACA
Benefits of Health Reform

• Individuals can get affordable insurance and choose their health plans
• Health plans must cover many primary care services and preventive health services
• Since most individuals can get insurance in 2014, consumers will have more choice about where to get care
COVERAGE FOR 30 MILLION UNINSURED. THOSE WITH PRE-EXISTING CONDITIONS COVERED. CAN'T BE DROPPED IF THEY GET SICK. FREE PREVENTIVE CARE...

IM BUMMED.
Getting Involved

• Not everyone will gain access to affordable coverage under health reform
• States are currently deciding Medicaid expansion
• States are now defining their benefit packages for Medicaid expansion and for the Exchanges
• States are updating eligibility and enrollment systems
• Some states proposing “flexibility” that will hurt consumers, such as raising cost-sharing on beneficiaries
Resources

• National Health Law Program: www.healthlaw.org
  ➢ Medicaid Expansion Toolbox
  ➢ Resources on Medicaid and health reform implementation

• Federal government sites:
  ➢ www.cms.gov
  ➢ www.healthcare.gov