



THE PATIENT PROTECTION AND AFFORDABLE CARE ACT

Health Care Reform Timeline

New Benefits Happening Right Now:

- **Small businesses will get a tax cut** to help them pay for health insurance for their employees. Companies will get a credit for up to 35 percent of the money they spend on premiums. Those credits will increase over time, eventually reaching 50 percent when the Insurance Exchanges go into effect in 2014. The full credit is available to small firms with 10 or fewer employees, and firms with up to 25 employees will qualify for a partial credit. Right now, nearly 132,000 small businesses in Michigan may qualify for this tax cut.
- **Any senior who is affected by the so-called Medicare "doughnut hole" will qualify for a \$250 rebate** to help them pay for their prescription medicines this year. As the law is implemented, the "doughnut hole" will be eliminated over time so there is no gap in coverage. There were 134,000 seniors in Michigan that fell into the "doughnut hole" last year that could be eligible for the rebate this year.
- **People who are uninsured because of a pre-existing condition will be able to get help** through a special health plan set up to cover them until the Insurance Exchanges are up and running. In Michigan, this plan will be run by Physicians Health Plan (PHP). The Pre-Existing Condition Insurance Plan will cover a broad range of health benefits, including primary and specialty care, hospital care, and prescription drugs. PHP began taking applications for this plan on August 31 with coverage to begin on October 1. Up to 6,000 individuals in Michigan could qualify for this plan. Individuals interested in enrolling in this plan can call PHP at 877-459-3113.
- **Retiree health plans** qualify for a new federal reinsurance program for health plans covering early retirees (age 55-64) to bring down costs for businesses and lower premiums. In Michigan, 97 companies, communities, and other organizations have already been approved to participate in this plan. Starting in October, the program will pay 80% of an individual's health costs if those costs are between \$15,000 and \$90,000. Both self-funded and insured plans are eligible to apply; including plans sponsored by private entities, state and local governments, nonprofits, religious entities, unions, and other employers. Employers interested in finding out more about these plans can visit www.errp.gov.

New Patients' Bill of Rights Protects Families Right Now:

- All health plans **can no longer deny coverage or care to children because of "pre-existing conditions."** Up to 72,000 uninsured children across the country are expected to gain coverage because of this new protection. This protection will apply to everyone when the Insurance Exchanges are in place in 2014.
- All health plans must **allow young adults to stay on their parents' insurance until age 26.** All new plans and health plans that come up for renewal now must cover young adults on their parents' insurance until they reach age 26. Plans also cannot charge more for these young adults than for other dependants covered by the plan. Up to 32,800 young adults in Michigan may benefit from this change. Some plans in Michigan already began to offer this benefit over the summer—check with your insurer or employer to see.
- All health plans **can no longer cancel coverage when a patient reaches a lifetime limit** on coverage. In the past, health insurance plans could impose lifetime spending limits that would automatically cancel a customer's coverage when they reached a certain arbitrary cap. Over 20,000 people lost their insurance coverage this way every year, usually in the middle of a treatment for a serious illness. Now, those caps have been eliminated, so individuals can count on the insurance benefits they paid for.
- All health plans **can no longer cancel coverage if a patient gets sick** or if they file too many claims. More than 10,000 people lost their insurance last year because of this practice, which is now banned by federal law.
- All new health plans must **provide free preventive care** with no co-pays or deductibles. This only applies when an individual switches insurance policies (it does not apply to renewals or plans that an individual had previously participated in).
- All new health plans must **allow consumers to appeal insurance company denials of coverage** and get an independent review of their case. For questions about how to begin an appeal in Michigan, you can check with your health plan or you can contact the Office of Financial and Insurance Regulation at 1-877-999-6442.
- All new health plans must **let you pick your own primary care doctor.** Women will also be allowed to visit their ob-gyn without getting permission from their insurance company first, and all patients will be guaranteed access to emergency care.

On October 1, 2010...

New investments in **community health centers will begin** to provide care to the people who need it most. In the next five years, \$11 billion will be provided to nearly double the number of patients seen by health centers. This means that 25 million more people in 10,000 communities across America will get access to community health centers. In Michigan, the new funding will go toward improving the 184 existing community health centers in the state, in addition to supporting the construction of new centers.

On January 1, 2011...

- **Seniors in Medicare** can make an appointment for a **free annual wellness checkup** with their doctor. There will be no co-pays or deductibles for this visit. All of the 1,570,000 Medicare enrollees in Michigan will be eligible for this new benefit.
- **Seniors in Medicare** will also have access to **free preventative care** including other important tests and screenings, with no co-pays or deductibles. Again, all of the 1,570,000 Medicare enrollees in Michigan will be eligible for this new benefit.
- All insurance plans will be required to spend at least 80-85 percent of their revenues on medical care. **If they spend too much on wasteful overhead**, like executive salaries and advertising, **they will be required to give their customers a rebate.**

For more information about health insurance reform, please visit

<http://stabenow.senate.gov/healthcare>

or

<http://www.healthcare.gov>