

From Ellen Pinnes and The Disability Coalition:

May 2012

Health Care Reform Information Series – Bulletin #1

How Health Care Reform Is Already Helping

Part I. Health Insurance – Improving Access to Health Coverage

The big expansion of health care coverage in the Patient Protection and Affordable Care Act (ACA), the federal health care reform law, won't happen until 2014. But a lot of the Act's provisions are already in effect and working to help consumers, including people with disabilities. These include steps relating to health insurance as well as changes in Medicaid and Medicare. We'll start by looking at some of the changes in health insurance that are already helping consumers by making it easier to get and keep health coverage:

**** Young adults can stay covered on their parents' insurance up to age 26.** It doesn't matter whether they're still in school or not. They don't have to be dependents of their parents, or live in the same household. They can even be married and still can be covered by their parents' insurance.

This is important because young adults have one of the highest uninsured rates of any age group. Many of them work in jobs that don't offer health insurance – or they can't afford the cost – so they don't have their own coverage. Medicaid eligibility is much more limited for adults than for children, so many who qualified for Medicaid as low-income children "age out" of the program and don't qualify for continued coverage. And those who are covered under their parents' private insurance may lose coverage because they are no longer full-time students. As a result of the ACA letting young adults stay on their parents' insurance, an additional 2.5 million young people nationwide have gotten health care coverage and the uninsured rate for this group has actually fallen.

**** Insurers can't refuse to cover a child who has a medical condition or disability.** This rule will go into effect for adults in 2014, but it's already in place for kids. If you apply to cover a child with a "pre-existing condition", the insurer can't refuse to insure that child and can't exclude coverage for the pre-existing condition.

**** High-risk pool to provide subsidized coverage to people with pre-existing conditions.** Until the rule requiring insurance companies to cover adults regardless of chronic conditions or disabilities starts in 2014, there's a temporary measure that helps people who can't get insurance. The ACA provides money to states to provide subsidized coverage to people who have high-cost needs and have been uninsured because insurance companies refuse to cover them.

**** Insurers can't cancel your insurance coverage when you make an innocent mistake in your application.** There have been notorious cases where insurance companies retroactively canceled people's insurance after they got sick or suffered a serious injury, based on a claim that the person didn't disclose some minor and irrelevant detail about their past medical history. Since insurers typically ask applicants to disclose every medical encounter they've ever had in their entire life, it's inevitable that people will forget something. Some companies have seized on those innocent mistakes to cancel coverage when people get sick and need high-cost care. The ACA prevents that practice and allows these cancellations (called "rescissions") only where the applicant engaged in fraud or intentional lying.

Next: How Health Care Reform Is Already Helping – Improving benefits