

From Ellen Pinnes and The Disability Coalition:

May 2012

Health Care Reform Information Series – Bulletin #2

How Health Care Reform Is Already Helping

Part II. Health Insurance – Improving Benefits

Having health insurance is a good thing. But all too often, it's insurance in name only – and isn't there when you need it. There's more to come as the Affordable Care Act (ACA) moves toward full implementation, but the law is already making health insurance work better for consumers.

**** Insurance companies can't put a dollar cap on the lifetime benefits they'll cover.** Insurance companies often have caps that seem generous until you realize that the high cost of health care can wipe them out pretty quickly. A million dollars sounds like a lot of money, but a baby born with a disability can reach that level in the first year of life, leaving the family facing astronomical bills even though they thought they were covered. The ACA no longer allows those dollar caps on lifetime benefits.

**** The law also addresses annual dollar caps on benefits.** The law has begun phasing out annual limits on so-called "essential health benefits" that health plans will be required to cover once the ACA is fully implemented in 2014. (We'll explain more about essential benefits in a future bulletin.) As of September 2010, the cap on services in any one year couldn't be lower than \$750,000 per person. Effective September 2011, the annual limit can't be less than \$1.25 million, and that number will rise to \$2 million for September 2012 to December 2013. As of January 2014, ALL annual dollar caps will be abolished.

Unfortunately, health plans are still allowed to impose non-dollar limits on benefits – for example, covering only a certain number of therapy visits or days in the hospital.

**** No out-of-pocket cost-sharing for preventive care.** One of the goals of the ACA is to improve people's health through smart health care, and one way to do that is to encourage people to get preventive care (a "proactive" approach) instead of waiting until they get sick and need more expensive care (a "reactive" approach). Making it possible to get preventive services without a co-pay or other out-of-pocket cost encourages people to get those services.

Preventive services available without an out-of-pocket cost to the consumer include flu shots and other immunizations; cancer screenings like mammograms, pap tests for cervical cancer, and colonoscopies; blood pressure, cholesterol, and diabetes screenings for adults; autism screening for young children; and others.

Next: How Health Care Reform Is Already Helping – Giving consumers more bang for the buck