



HOW THE NEW HEALTH REFORM LAW WILL PROTECT CONSUMERS

The *Patient Protection and Affordable Care Act* will reform the health insurance marketplace by strengthening consumer protections and providing consumers with the information they need to choose the best health care coverage for their families.

In 2010 (within 6 months):

No Pre-existing Coverage Exclusions for Children

- Recognizing the special vulnerability of children, health insurers will be prohibited from excluding coverage of pre-existing conditions for children, effective six months after enactment and applying to all new plans.

Extension of Coverage for Young Adults

- Insurers will be required to permit children to stay on family policies until age 26. This provision takes effect six months after enactment and applies to all new plans.

Required Coverage for Preventive Care with No Cost-Sharing

- Insurers will be required to offer and provide first dollar coverage of preventive health care services. This provision takes effect six months after enactment and applies to all new plans.

Patient Protections

- Patients' choice of doctors will be protected by allowing plan members to pick any participating primary care provider, prohibiting insurers from requiring prior authorization before a woman sees an ob-gyn, and ensuring access to emergency care. This provision takes effect six months after enactment and applies to all new plans.

Fair Opportunity to Appeal Coverage and Claims Decisions

- Health insurers will develop an appeals process that, at a minimum, provides beneficiaries with a notice of internal and external appeals processes and allows beneficiaries to review their file and present evidence in their appeal.

No Coverage Rescissions when Enrollees get Sick

- Insurers will be prohibited from rescinding health coverage when a beneficiary gets sick. This is often used as a way of avoiding paying that person's health care bills. The provision takes effect six months after enactment and applies to all new plans.

No Arbitrary Limits on Coverage

- Insurance companies will no longer be able to place lifetime limits on the dollar amount of the coverage for which they will pay, and will be restricted in their use of annual limits.

Protection from Exorbitant Out-of-Pocket Costs

- Insurance companies will abide by yearly caps on what they may charge beneficiaries for out-of-pocket expenses, like co-payments or co-insurance charges. This will minimize the possibility that Americans could be forced to file bankruptcy due to high health care costs.

HOW THE NEW HEALTH REFORM LAW WILL PROTECT CONSUMERS

In 2011:

Notification and Justification of Premium Increases

- Insurers will be required to publicly disclose the amount of any premium increase prior to the increase taking effect, and to provide a justification for the increase. This will limit the industry's current practice of hiking up insurance rates in order to push less healthy individuals and small businesses off their rolls.

Rebates to Ensure Value

- Americans will receive a rebate if their health insurer's non-medical costs exceed 15 percent of premium costs in the group market or 20 percent in the small group and individual market. Using cost data from this year, rebates will begin in 2011 and the policy applies to all insurance plans.

In 2012:

Clear Summaries, Without the Fine Print

- Insurance companies will outline coverage options using a simple and standard format that enables consumers to make an apples-to-apples comparison when they are choosing their health insurance plan.

In 2014:

Fair Pricing of Insurance Premiums Guaranteed in Exchange

- A health insurer's participation in the Exchanges will depend on its performance. Insurers that significantly raise their premiums before the Exchanges begin will be blocked from participation – a powerful incentive to keep premiums affordable.

Health Insurance Exchanges

- These are state- or regional-based systems where individuals and small businesses can compare prices and purchase insurance policies.