

Attorney Timothy P. Crawford, CPA, CELA*, CAP**
wanted to share this information with you.

THE PATIENT PROTECTION AND AFFORDABLE CARE ACT FIRST YEAR BENEFITS

Greater Milwaukee Area Offices in Brookfield, Glendale, Milwaukee & Racine

Your Asset Protection Law Firm
840 Lake Avenue, Suite 200
Racine, WI 53403
Toll Free: (888) 634-6675
(262) 634-6659

E-mail: tpc@tpcelderlaw.com
Website: www.TpcLaw.com

The Patient Protection and Affordable Care Act includes health insurance market reforms that will bring immediate benefits to millions of Americans, including those who currently have coverage. The following benefits will be available in the first year after enactment of the Patient Protection and Affordable Care Act.

Access to Affordable Coverage for the Uninsured with Pre-existing Conditions

The Patient Protection and Affordable Care Act will provide \$5 billion in immediate federal support for a new program to provide affordable coverage to uninsured Americans with pre-existing conditions. This provision is effective 90 days after enactment, and coverage under this program will continue until new Exchanges are operational in 2014.

Access to Quality Care for Vulnerable Populations

The Patient Protection and Affordable Care Act makes an immediate and substantial investment in Community Health Centers to provide the funding needed to expand access to health care in communities where it is needed most. This \$10 billion investment begins in 2010 and extends for five years.

No Pre-existing Coverage Exclusions for Children

The Patient Protection and Affordable Care Act eliminates pre-existing condition exclusions for all Americans beginning in 2014, when the Exchanges are operational. Recognizing the special vulnerability of children, the Patient Protection and Affordable Care Act prohibits health insurers from excluding coverage of pre-existing conditions for children, effective six months after enactment and applying to all new plans.

Re-insurance for Retiree Health Benefit Plans

The Patient Protection and Affordable Care Act will create immediate access to re-insurance for employer health plans providing coverage for early retirees, effective

90 days after enactment. This re-insurance will help protect coverage while reducing premiums for employers and retirees.

Closing the Coverage Gap in the Medicare (Part D) Drug Benefit

The Patient Protection and Affordable Care Act will reduce the size of the “donut hole,” raising the ceiling on the initial coverage period by \$500 in 2010.

The Patient Protection and Affordable Care Act will also guarantee 50 percent price discounts on brand-name drugs and biologics purchased by low and middle-income beneficiaries in the coverage gap, beginning July 1, 2010.

Small Business Tax Credits

The Patient Protection and Affordable Care Act will offer tax credits to small businesses beginning in 2010 to make employee coverage more affordable.

Tax credits of up to 35 percent of premiums will be immediately available to firms that choose to offer coverage; later, when Exchanges are operational, tax credits will be up to 50 percent of premiums. The full credit will be available to firms with 10 or fewer employees with average annual wages of \$25,000, while firms with up to 25 or fewer employees and average annual wages of up to \$50,000 will also be eligible for the credit.

Ensuring Value for Premium Payments

The Patient Protection and Affordable Care Act will establish standards for insurance overhead and require public disclosure to ensure that enrollees get value for their premium dollars, requiring plans in the individual and small group market to spend 80 percent of premium dollars on clinical services and quality activities, and 85 percent for plans in the large group market. Health insurance plans that do not meet these thresholds will provide rebates to their policyholders. This provision takes effect in 2011 and applies to all plans, including grandfathered plans, with the exception of self-insured plans.

Patient Protections

The Patient Protection and Affordable Care Act protects patients’ choice of doctors 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.

Extension of Dependent Coverage for Young Adults

The Patient Protection and Affordable Care Act will require insurers 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.

Free Prevention Benefits

The Patient Protection and Affordable Care Act will require coverage of prevention and wellness benefits and exempt these benefits from deductibles and

other cost-sharing requirements in public and private insurance coverage. This provision takes effect six months after enactment and applies to all new plans.

Beginning on January 1, 2011, Medicare beneficiaries will receive a free, annual wellness visit and will have all cost-sharing waived for prevention services.

No Lifetime Limits on Coverage

The Patient Protection and Affordable Care Act will prohibit insurers from imposing lifetime limits on benefits. This provision takes effect six months after enactment and applies to all new plans.

Restricted Annual Limits on Coverage

The Patient Protection and Affordable Care Act will tightly restrict insurance companies' use of annual limits to ensure access to needed care, effective six months after enactment for all new health plans.

These tight restrictions will be defined by the Secretary of Health and Human Services. When the Exchanges are operational, the use of annual limits will be banned.

Protection from Rescissions of Existing Coverage

The Patient Protection and Affordable Care Act will stop insurers from rescinding insurance when claims are filed, except in cases of fraud or intentional misrepresentation of material fact. This provision takes effect six months after enactment and applies to all new plans.

Prohibits Discrimination Based on Salary

The Patient Protection and Affordable Care Act will prohibit group health plans from establishing any eligibility rules for health care coverage that have the effect of discriminating in favor of higher wage employees. This provision takes effect six months after enactment and applies to group health plans.

Public Access to Comparable Information on Insurance Options

The Patient Protection and Affordable Care Act will enable creation of a new website to provide information on and facilitate informed consumer choice of insurance options.

Health Insurance Consumer Information

The Patient Protection and Affordable Care Act will provide assistance to States in establishing offices of health insurance consumer assistance or health insurance ombudsman programs to assist individuals with the filing of complaints and appeals, enrollment in a health plan, and, eventually, to assist consumers with resolving problems with tax credit eligibility. This provision is effective beginning with fiscal year 2010.

Appeals Process

Under the Patient Protection and Affordable Care Act, all new health plans will implement, within six months of enactment, an effective process for appeals of coverage determinations and claims. And, states will provide an external appeals process to ensure an independent review.

“Those Who Plan Ahead Win. Those Who Don’t Plan Ahead Lose.”

This article is not intended as legal advice. It is basic information. I would recommend that you call Attorney Timothy P. Crawford for a free conference to discuss your situation in more detail. Attorney Timothy P. Crawford can be reached toll-free at 1-888-634-6675. When you call in, please mention the fact that you have read this article.

*Attorney Timothy P. Crawford is a Board Certified Elder Law Attorney(CELA). He has been Board Certified by the National Elder Law Foundation which has been approved as the Sole Certifying Organization for Elder Law Attorneys by the American Bar Association.

**Timothy P. Crawford was invited to join the Council of Advanced Practitioners of the National Academy of Elder Law Attorneys (NAELA) in August of 2005. The Council of Advanced Practitioners (CAP) is a small group of premier elder law attorneys, all of whom have been members of NAELA for at least 10 years, are certified as elder law attorneys by the National Elder Law Foundation, and are AV rated the top in the nation by Martindale Hubbell. A Service that provides an independent rating of the quality of attorneys.

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