



## Immediate Benefits

The *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 year following enactment in March 2010.

### Health Insurance Consumer Information

- ✓ Provides 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. *Effective Fiscal Year 2010, which began October 1, 2009.*
  - The Department of Health and Human Services (HHS) issued a [fact sheet](#), and grant information is available at [Grants.gov](#), applications are due September 10, 2010.

### Small Business Tax Credits

- ✓ Offers 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. The full credit will be available to firms with 10 or fewer employees and average annual wages of up to \$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 a credit. *Effective beginning calendar year 2010.*
  - The Internal Revenue Service (IRS) sent [postcards](#) to more than four million businesses that may be eligible, issued [guidance](#), and has more information at [IRS.gov](#).
- ✓ Tax credits for up to 50 percent of premiums will be available in 2014. *Effective January 1, 2014.*

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

- ✓ Provides a \$250 rebate check for Medicare beneficiaries who do not receive Medicare Extra Help and who hit the 'donut hole' in 2010. *Effective calendar year 2010.*
  - The first checks were sent to qualifying beneficiaries in early June and a brochure with more information is available at [Medicare.gov](#).
- ✓ Beginning in 2011, the same Medicare beneficiaries will receive a 50 percent discount on brand-name drugs and biologics when they reach the donut hole. These are the first steps toward completely filling in the donut hole by 2020. *Effective January 1, 2011.*
  - A brochure with information for beneficiaries is available at [Medicare.gov](#), the Centers for Medicare & Medicaid Services (CMS) issued [information](#) for pharmaceutical manufacturers, a [letter](#) to Part D sponsors, and a [notice](#) appeared in the Federal Register.

### **Increasing the Number of Primary Care Providers**

- ✓ Provides new investments in training programs to increase both the number of primary care health professionals and the capacity of the educational pipeline for health professionals. *Effective calendar year 2010.*
  - The Administration announced the availability of \$250 million to increase the supply of primary care providers. More information at [HealthReform.gov](http://HealthReform.gov).

### **Ensuring Medicaid Flexibility for States**

- ✓ Provides states a new option to cover parents and childless adults up to 133 percent of the Federal Poverty Level (FPL) and receive current law Federal Medical Assistance Percentage (FMAP). *Effective April 1, 2010.*
  - CMS sent a [letter to states](#), and [Connecticut](#) and the District of Columbia have pursued this option already, making approximately 80,000 low-income Americans eligible for Medicaid coverage.

### **Re-insurance for Retiree Health Benefit Plans**

- ✓ Creates immediate access to re-insurance for employer health plans providing coverage for early retirees, helping to protect coverage while reducing premiums for employers and retirees. *Effective June 22, 2010.*
  - HHS issued interim rules, and the program became effective on June 1, 2010, in advance of the deadline. More information is available from [HHS.gov](http://HHS.gov).

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

- ✓ Provides \$5 billion in immediate federal support for a new program to provide affordable coverage to uninsured Americans with pre-existing conditions until new Exchanges are operational in 2014. *Effective July 1, 2010.*
  - More information is available from [HealthCare.gov](http://HealthCare.gov).

### **Public Access to Comparable Information on Insurance Options**

- ✓ Enables creation of a new website to provide information on and facilitate informed consumer choice of insurance options. *Effective not later than July 1, 2010.*
  - [HealthCare.gov](http://HealthCare.gov) launched on July 1, 2010.

### **No Pre-Existing Condition Coverage Exclusions for Children**

- ✓ Prohibits health insurers from excluding coverage of pre-existing conditions for children. *Effective for policy or plan years beginning on or after September 23, 2010, applies to all employer plans and new plans in the individual market. (This provision will apply to all people in 2014).*
  - HHS issued a [fact sheet](#) and [regulations](#) appeared in the Federal Register.

### **Patient Protections**

- ✓ 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. *Effective for policy or plan years beginning on or after September 23, 2010; applies to all new plans.*
  - HHS issued a [fact sheet](#) and [regulations](#) appeared in the Federal Register.

### **Extension of Coverage for Young Adults**

- ✓ Requires insurers to permit children to stay on family policies until age 26. *Effective for policy or plan years beginning on or after September 23, 2010; applies to all plans in the individual market, new employer plans, and existing employer plans if a young adult is not eligible for employer coverage. However, many of the nation's major insurers (including the four largest insurers) and self-insured organizations have agreed to implement this change well before the effective date.*
  - HHS issued a [fact sheet](#) and [regulations](#) appeared in the Federal Register.

### **Free Prevention Benefits**

- ✓ Requires coverage of prevention and wellness benefits in all new plans and exempts these benefits from deductibles and other cost-sharing requirements in public and private insurance coverage. *Effective for policy or plan years beginning on or after September 23, 2010; applies to all new plans.*
  - More information has been published on [HealthCare.gov](#) and [regulations](#) appeared in the Federal Register.

### **No Lifetime Limits on Coverage**

- ✓ Prohibits insurers from imposing lifetime limits on benefits. *Effective for policy or plan years beginning on or after September 23, 2010, applies to all plans.*
  - HHS issued a [fact sheet](#) and [regulations](#) appeared in the Federal Register.

### **Regulated Annual Limits on Coverage**

- ✓ Tightly regulates plans' use of annual limits to ensure access to needed care in all group plans and all new individual plans. *Effective for policy or plan years beginning on or after September 23, 2010, applies to new plans in the individual market and all employer plans. (When the Exchanges are operational in 2014, the use of annual limits will be banned for new plans in the individual market and all employer plans.)*
  - HHS issued a [fact sheet](#) and [regulations](#) appeared in the Federal Register.

### **Protection from Rescissions of Existing Coverage**

- ✓ Stops insurers from rescinding insurance when claims are filed, except in cases of fraud or intentional misrepresentation of material fact. *Effective for policy or plan years beginning on or after September 23, 2010, applies to all plans.*
  - HHS issued a [fact sheet](#) and [regulations](#) appeared in the Federal Register.

### **Prohibits Discrimination Based on Salary**

- ✓ Prohibits new group health plans from establishing any eligibility rules for health care coverage that have the effect of discriminating in favor of higher wage employees. *Effective for policy or plan years beginning on or after September 23, 2010; applies to new group health plans.*

### **Appeals Process**

- ✓ Requires all new health plans to implement an effective process for appeals of coverage determinations and claims. In addition, states will provide an external appeals process to

ensure an independent review. *Effective for policy or plan years beginning on or after September 23, 2010; applies to all new plans.*

- HHS issued a [fact sheet](#) and [regulations](#) and [guidance](#) appeared in the *Federal Register*.

### **Increasing Access to Community Health Centers**

- ✓ Makes an \$11 billion investment over five years in Community Health Centers to expand existing and build new community health centers to increase access to high-quality, affordable health care. *Effective Fiscal Year 2011, which begins October 1, 2010.*
  - The Administration announced the availability of \$250 million to support new service delivery sites and issued a [fact sheet](#). [Grant applications](#) are due November 17, 2010.

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

- ✓ Medicare beneficiaries who do not receive Medicare Extra Help will receive a 50 percent discount on brand-name drugs and biologics when they reach the donut hole. These discounts gradually increase until the donut hole is completely filled by 2020. *Effective January 1, 2011.*
  - A brochure with information for beneficiaries is available at [Medicare.gov](#), CMS issued [information](#) for pharmaceutical manufacturers, a [letter](#) to Part D sponsors, and a [notice](#) appeared in the *Federal Register*.

### **Free Prevention and Wellness Visits in Medicare**

- ✓ Medicare beneficiaries will receive a free, annual wellness visit and will have all cost-sharing waived for preventive services. *Effective January 1, 2011.*
  - HHS issued a [fact sheet](#), [regulations](#) appeared in the *Federal Register*, and CMS issued a [fact sheet](#) on the regulations.

### **Ensuring Value for Premium Payments**

- ✓ Establishes standards for insurance overhead and requires 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. *Effective January 1, 2011; applies to all plans, including grandfathered plans, with the exception of self-insured plans.*

Additional information on the *Affordable Care Act* is available from the Democratic Policy Committee at [dpc.senate.gov/reform](#).