

The Affordable Care Act in Action: Making Coverage Secure for Pennsylvania Families



info@pahealthaccess.org

www.facebook.com/pahealthaccess

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Seniors have better care and more affordable medications:

- Pennsylvania seniors have saved over \$392,036,508 on prescription drugs in the “donut hole” coverage gap. In 2012, 22,703 saved an average of \$753 each. Discounts on brand name and generic medications will continue to increase until the “donut hole” is closed entirely in 2020.¹
- Beginning in 2011, all seniors enrolled in Traditional Medicare began receiving new benefits, including an annual wellness visit and overall health consultation with your doctor -- for free, with no copays or cost-sharing. These new preventive benefits include things like: *flu shots, mammograms, and nutrition counseling to better manage chronic conditions, as well as no-cost screenings for cancer, diabetes, and other chronic diseases.*
- In 2012, 34 million people benefited from Medicare’s coverage of preventive services with no cost-sharing. In Pennsylvania, 1,034,635 seniors used one or more free preventive service in 2012.²
- Thanks to tougher penalties for people who steal from Medicare, more law enforcement to find criminals abusing the law and beneficiaries, and more tools to root out waste, fraud and abuse in the system, [\\$14.9 billion](#) has been recovered and returned to the Medicare Trust Fund. *For every dollar spent on health care-related fraud and abuse activities in the last three years, the administration has returned \$7.90.*³
- Medicare’s solvency is extended an additional eight years. Before the law, Medicare’s trustees expected the fund to be depleted by 2016, but because the new law better spends Medicare dollars on quality care and benefits rather than excessive subsidies to private insurers and waste, the law extends the life of the Medicare Trust Fund by eight years.⁴

People with private health insurance have better coverage:

- The law makes sure we start getting the value we deserve from our health care dollars, and it does that by requiring all new insurance plans to cover preventive services for men, women and children with no co-pays or cost-sharing. These benefits include: *an annual flu shot and other vaccinations, screenings for diabetes, depression and high cholesterol, tobacco cessation counseling and specific benefits for women, including contraceptives and an annual well-woman visit.*
- In 2011 and 2012, [71 million](#) Americans with private health insurance gained preventive service coverage with no cost-sharing, including 3,151,000 in Pennsylvania.⁵
- For policies renewing on or after August 1, 2012, women can now get coverage without cost-sharing of even more preventive services they need. Approximately [47 million women](#), including 2,121,806 in Pennsylvania will now have guaranteed access to additional preventive services without cost-sharing.⁶
- The law stops insurance companies from restricting our coverage by setting lifetime dollar limits on health benefits. This means that families no longer have to live in crippling fear of bankruptcy -- or worse, having to stop treatment because they’ve “maxed out” their coverage -- if a loved one has to battle a serious illness like cancer or Cystic Fibrosis. Thanks to the law, 4,582,000 Pennsylvanians, including 1,769,000 women and 1,136,000 children, no longer have to worry about lifetime limits being imposed on their coverage. The law also restricts the use of annual limits and bans them completely in 2014.⁷
- Before the new law, insurers could take the money we paid them in premiums to provide us coverage and use it on things like advertising, lobbying, and CEO perks -- things that have nothing to do with the quality or value of our coverage. The law puts a stop to this bad behavior by requiring insurance companies spend at least 80% of policyholders’ premium dollars on actual health care -- giving all of us more bang for our buck. If an insurer misses the mark, they’ve got to provide all policyholders a rebate for the difference, in each year they miss the mark. Nationally, in 2011, this saved working families and small businesses \$1.1 billion. Here in Pennsylvania, over 675,000 families have gotten back more than \$58 million in rebates.⁸

Young adults and small businesses have new choices and benefits:

- The Affordable Care Act also ensures that young adults, who were previously the most likely group to be uninsured, have access to coverage. Young adults can now stay on their parents' health plans up to the age of 26. In Pennsylvania, 91,000 young adults are eligible to remain on their parents' coverage.⁹
- Small businesses with fewer than 25 employees and average wages of less than \$50,000 now qualify for tax credits to help with the cost of coverage for their workers. In 2011, 131,900 Pennsylvania businesses (68.3% of all businesses with 25 or fewer employees) took advantage of this new tax credit.¹⁰
- On October 1st, small businesses will also be able to buy coverage through the SHOP Marketplace, where they'll have access to the same purchasing power that large companies benefit from today and enjoy a simplified, streamlined process of finding coverage.
- These tax credits currently cover up to 35 percent of the cost of coverage, and the maximum value of these credits will increase to 50 percent in 2014.

And soon - Pennsylvanians who have been shut out and priced out of the market will have real choices and be able to access affordable, quality coverage:

- Beginning in 2014, insurers will no longer be able to deny adults coverage or charge them higher premiums because of pre-existing conditions. 5,489,162 Pennsylvanians under age 65 have a pre-existing health condition that, before the new law, put them at risk of being denied coverage or gouged on rates.¹¹
- Insurers will no longer be able to charge higher premiums based on gender or health status. Currently, each and every one of Pennsylvania's most popular insurance plans charges a 40-year-old, non-smoking woman more for coverage than a 40-year-old, non-smoking man. Thanks to new law, charging people more based on gender or health status will be made illegal in 2014.¹²
- 1,141,720 uninsured Pennsylvanians -- 75% of whom have at least one full-time worker at home -- will be eligible for new tax credits to purchase a quality health insurance plan in the new Health Insurance Marketplace (opening October 1st at www.healthcare.gov or accessible via phone at 1-800-318-2596) or qualify for Medicaid coverage, if Governor Corbett and state lawmakers take the opportunity and funding to expand.¹³

LEARN MORE about the Affordable Care Act and how to get covered at: www.healthcare.gov!
 Questions are answered 24/7 at 1-800-318-2596.

¹ U.S. Department of Health and Human Services, Center for Medicare and Medicaid Services (CMS) Report: "The Affordable Care Act: A Stronger Medicare Program" - <http://www.cms.gov/apps/files/Medicarereport2012.pdf>

² (CMS) Report: "The Affordable Care Act: A Stronger Medicare Program"

³ (CMS) Report: "The Affordable Care Act: A Stronger Medicare Program"

⁴ Congressional Budget Office (CBO): "Budget and Economic Outlook: Fiscal Years 2012 to 2022" <http://www.cbo.gov/publication/42864>

⁵ U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation (ASPE). http://aspe.hhs.gov/health/reports/2013/PreventiveServices/ib_prevention.cfm

⁶ U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation (ASPE)

⁷ U.S. Department of Health and Human Services, Center for Medicare and Medicaid Services (CMS) analysis of U.S. Census Data. <http://www.hhs.gov/healthcare/facts/bystate/pa.html>

⁸ The Center for Consumer Information & Oversight (CCIIO), Centers for Medicare & Medicaid Services (CMS). "2012 MLR Rebates by State and Market." <http://www.cms.gov/CCIIO/Resources/Data-Resources/Downloads/2012-mlr-rebates-by-state-and-market.pdf>

⁹ Estimate of the number of uninsured young adults who are eligible to remain on their parents' plan is from interim final rules for the dependent coverage provision (May 13, 2010), distributed across the states based upon the proportion of all uninsured young adults (ages 19-25) in the U.S. living in the state.

¹⁰ Estimates prepared by The Lewin Group for Families USA. Data are on file with Families USA. More details are available upon request.

¹¹ U.S. Department of Health and Human Services, Center for Medicare and Medicaid Services (CMS) analysis of U.S. Census Data. <http://www.hhs.gov/healthcare/facts/bystate/pa.html>

¹² National Women's Law Center, *Still Nowhere to Turn: Insurance Companies Treat Women Like a Pre-Existing Condition* (Washington: National Women's Law Center, 2009).

¹³ U.S. Department of Health and Human Services, Center for Medicare and Medicaid Services (CMS) analysis of U.S. Census Data.