

TEXAS WELL AND HEALTHY

A statewide, grassroots campaign to improve the health and wellbeing of Texans

ACA Boot Camp

2013 Legislative Session

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Texas Well and Healthy

- Collaborative campaign of 4 non-profits in TX
- Our goal: educate Texans about health care options
- Website: www.texaswellandhealthy.org
- Facebook: www.facebook.com/KidsWellTexas
- Twitter: @TxWellHealthy

An ACA Primer

- The Patient Protection Affordable Care Act, signed into law on March 23, 2010.
- Takes full effect January 1, 2014.
- Gradual roll-out of benefits.
- ACA, PPACA, Obamacare
- 2012 SCOTUS decision: all systems go, except Medicaid Expansion is optional for states.

Changing Our System

- One step at a time...
- incredibly complex law, over 1000 pages.
- what we're about to walk through together is a "top 10" of the Affordable Care Act, very stripped down.
- please ask questions!

No Lifetime or Annual Caps

- As of 2010, the lifetime caps on health insurance benefits that used to hurt the sickest insured folks are GONE.
- No more will a health insurance plan drop your coverage when you get so sick that your medical bills hit the roof.
- Also, annual caps on health benefits are being phased out beginning in 2010.

No Pre-existing Conditions

- As of 2010: children (ages 0-18) can not be denied coverage based on pre-existing conditions.
- Starting in 2014: **No one** can be denied insurance due to pre-existing conditions.
- Starting in 2014: **No one** can be charged more because of health history or condition.
- Only 3 things lead to higher premiums: age, tobacco use, and geography

Free Preventive Care

- **Preventive Care:** annual well check-ups, routine care, vaccines, birth control, mammograms, colonoscopy, screenings, etc.
- As of 2010: Kids, seniors, & disabled on Medicare receive preventive care free (no co-pay)
- Aug 1, 2012: Women get contraceptives and well woman care free (no co-pay)
- Starting in 2014: All insured adults and kids get free preventive care (no co-pay)

Essential Health Benefits

The ACA is making sure that in 2014, ALL health insurance policies will cover 10 Essential Health Benefits.

This means all health conditions should get the coverage they need!

1. ambulatory patient services;
2. emergency services;
3. hospitalization;
4. maternity and newborn care;
5. mental health and substance use disorder services, including behavioral health treatment;
6. prescription drugs;
7. rehabilitative and habilitative services and devices;
8. laboratory services;
9. preventive and wellness services and chronic disease management
10. pediatric services, including oral and vision care.

Women & ACA

Starting Aug. 1, 2012, NO CO-PAY for:

- **Well Woman Visits:** Annual visits covered means women can receive preventive care when it matters most
- **Lactation Counseling:** Pregnant and post-partum women have access to comprehensive lactation support and counseling from trained providers as well as breastfeeding equipment to give moms and little ones the best start
- **DNA Testing for Cervical Cancer:** Women who are 30 or older will have access to HPV testing every 3 years, even if previous pap tests were normal
- **Contraceptive Counseling:** Women will have access to all FDA approved contraceptive methods and patient education/counseling
- **STI and HIV Screenings & Counseling:** Women will have access to annual testing and counseling on HIV and Sexually Transmitted Infections (STI)
- **Gestational Diabetes Screenings:** Screenings will be performed at 24 - 28 weeks pregnant and for those at high risk
- **Domestic Violence Screening:** Screening and counseling for domestic and partner violence will be provided for all women

Seniors & Disabled

- For seniors and the disabled on Medicare, you are already receiving free screenings and preventive care.
- Closing the Medicare prescription “doughnut hole,” by making prescription drugs more affordable.
 - In Texas in 2011, the average savings was approximately \$639 for each person who fell into the doughnut hole.
 - By 2020, the gap in drug coverage will be completely gone.

Small Business Owners

- Because of ACA, many small business owners have access to new tax credits to help them buy health insurance for their employees, if they want to.
 - 35% tax credit now
 - Up to 50% tax credit in 2014
- No penalties or obligations for small business owners (50 or fewer employees) who choose not to provide insurance.
- For those who do, the ACA makes it easier to buy and afford insurance through Small Business Health Insurance Exchange (called SHOP).

Individual Mandate

- If you are uninsured through your job, Medicaid, or Medicare, you must purchase insurance for yourself, or pay a tax.
- If it costs more than 8% of your house-hold income, you are exempt – pay no penalty.
- Why is universal coverage important? We will all get sick at some point and when someone doesn't have coverage we all pay for it in higher premiums.

Health Insurance Exchange

- Online marketplace where plans will have to compete side-by-side, using clear language.
- Subsidies are available to people with low and moderate incomes (by % of federal poverty level).
 - – if you earn \$92,000 or less (for a family of 4), you'll receive sliding scale discounts to the cost of your insurance policy.
- Precious metals scale – cost sharing! You can choose which plan fits your situation. (90%, 80%, 70%, 60%)
- Community Navigators will do impartial public education on subsidies, plan selection, access hard-to-reach populations.

Navigators vs. Insurance Agents

- Insurance agents connect small businesses with health coverage (commission based).
- Navigators must be impartial, cannot take commission from insurers.
- The Federal gov't will:
 - Fund, train, and certify Community Navigators
 - Establish and enforce conflict of interest standards, as well as cultural and language competency standards

Regulating Insurers

The 80/20 Rule:

- Insurers have to spend 80% of your premiums on your health care, only 20% can go to overhead and profits
- Because of this, millions of Texans got \$1.67 billion in rebates during 2012 (\$187 avg check)

Rate Review:

- Any health insurance increase 10% or more goes through an automatic review process on whether or not is justified.
- We still need “teeth” to stop unjustified rate hikes.

Medicaid Expansion

- In 2014, anyone at 138% of FPL should become eligible
- In Texas, 2.5 million kids are covered under Medicaid now, but only 225,000 of their parents are. Under new rules 1.5-2 million Texans could qualify
- Texas would have to OPT IN to the Medicaid expansion.
- First 3 years FREE. Then a 1:9 matching rate.
- Still a problem of getting providers to enroll:
 - Feds are helping for first two years by raising reimbursement rates for primary care to Medicare level, and higher matching rate applies to reimbursement rates.

How much will this cost?

- The price tag: \$938 billion over 10 years.
- In other words: 2% federal budget, and only 3% of what we'll spend on health care overall.
- A combination of new taxes, cost saving measures, and incentive programs will lead to:
- A **\$124 billion REDUCTION** in federal deficit over next ten years.

2013 Legislative Session

- We need legislation that:
 1. Gives TDI enforcement power over insurance rate hikes
 2. Opts Texas into the Medicaid Expansion
 3. Identifies health insurance “Navigators” as different from “Insurance Agents.”
 4. Raises provider reimbursement rates (to retain and attract providers to M’caid.

Thank You!

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