

## **HEALTH CARE REFORM AND CHILDREN AND YOUTH WITH SPECIAL HEALTH CARE NEEDS (CYSHCN)**

The health care reform law, known as the Affordable Care Act (ACA), provides a number of benefits of special interest to CYSHCN and their families. Some of the most important ones went into effect on September 23, 2010. For insurance plan/policy years beginning on or after that date, most insurers will no longer be able to –

- deny coverage to children under age 19 who have pre-existing conditions
- impose lifetime dollar limits on coverage
- impose annual dollar limits exceeding specified amounts<sup>1</sup> for “essential health benefits” (benefits listed in the law, listed in footnote 2, on reverse side)
- rescind policies in the absence of fraud or intentional misrepresentation

Other relevant provisions that went into effect in September include –

- guaranteed appeal and external review of insurance company decisions
- coverage for out-of-network emergency room care
- no charges for recommended preventive care in new health plans
- right to designate a primary care provider, including a pediatrician
- coverage of children up to age 26 on their parents’ plans (regardless of whether the child is married, in school or living at home)

It should be cautioned that there are some limitations to these benefits. For example, some insurance plans – such as those sold on the individual market (not obtained through an employer) that were in effect when the law was enacted (March 23, 2010) – are not subject to all of these requirements. Also, it is not clear whether insurers are allowed to place limits on the number of visits for certain treatments, such as physical or speech therapy.

Nonetheless, the benefits of the law are great. In addition to those already in effect, these (and other) provisions will take effect in **2014** –

- An expansion of Medicaid to anyone with a family income less than 133% of the Federal Poverty Level (about \$14,000 for an individual; about \$30,000 for a family of 4)
- Ban on pre-existing condition exclusions for everyone
- Ban on annual coverage limits for “essential health benefits”
- Ban on varying premiums based on health status

*(over)*

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<sup>1</sup> Until September 23, 2011, this limit is \$750,000; during the following year it is \$1.25 million; and from September 23, 2012, until January 1, 2014, the annual limit can be no lower than \$2 million. After January 1, 2014, no annual limits on essential benefits are permitted. These dates refer to insurance plan/policy years beginning on or after the date specified. (For example, if your plan year starts on November 1, then the new limits start to apply on November 1 rather than September 23.)

**Pre-existing Condition Insurance Plans (PCIPs).** Until 2014, when no one can be denied insurance due to a pre-existing condition, there are new insurance plans in every state that will provide coverage to individuals who are U.S. citizens, have been uninsured for at least 6 months, and have a pre-existing condition.

**Exchanges.** In 2014 there will also be subsidies available for uninsured people below certain income levels so that they can purchase insurance through state “Exchanges” (controlled marketplaces). Any plan sold in an Exchange must provide a range of “essential health benefits,” which include services important to CYSHCN (such as rehabilitation/ habilitation services and devices).<sup>2</sup>

**Website.** The ACA also require the U.S. Department of Health and Human Services to create a website through which people can get information about all the insurance options available in their state (both public and private). This website also includes additional information about the ACA. The website, which is available in English and Spanish, can be found at <http://www.healthcare.gov>.

Other sources of information about health care reform can be found at:

[www.amchp.org](http://www.amchp.org) (Association of Maternal and Child Health Programs)

<http://ccf.georgetown.edu> (Center for Children and Families, Georgetown University)

<http://www.communitycatalyst.org> (Community Catalyst)

[www.familyvoices.org](http://www.familyvoices.org) (Family Voices)

[www.familiesusa.org](http://www.familiesusa.org) (Families USA)

[www.kff.org](http://www.kff.org) (Kaiser Family Foundation; provides short video of health care reform basics.)

To hear an archived teleconference about the impact of healthcare reform on children, especially CYSHCN, and read about the resources available on other healthcare reform websites, go to [http://www.spannj.org/Family2Family/new\\_in\\_healthcare.htm](http://www.spannj.org/Family2Family/new_in_healthcare.htm) .

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<sup>2</sup> The “essential health benefits” listed in the law are: outpatient services, emergency services, hospitalization, maternity and newborn care, mental health and substance use disorder services, including behavioral health treatment, prescription drugs, rehabilitative and habilitative services and devices, laboratory services, preventive and wellness services and chronic disease management. More details about these services will be set forth in regulations.