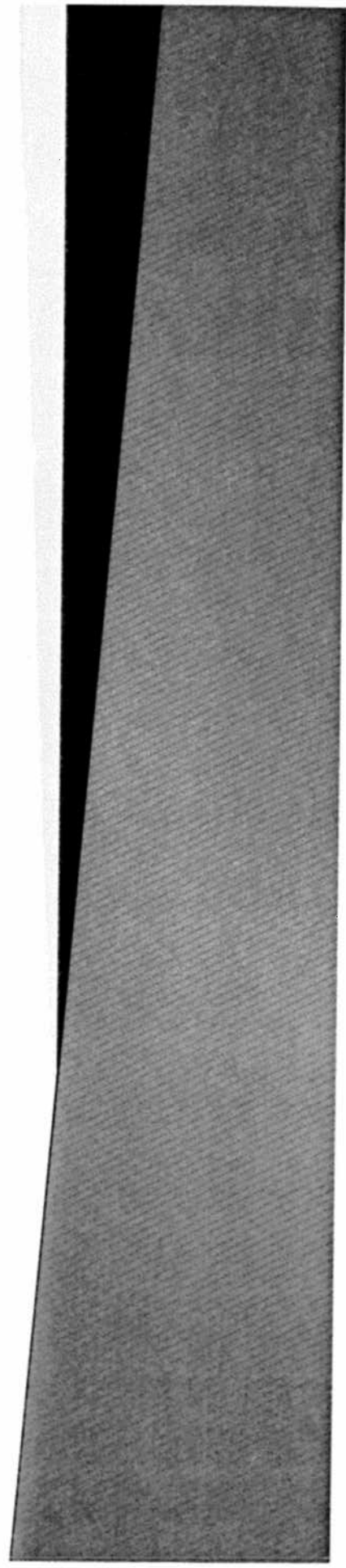


The Health & Welfare
Council of Long Island

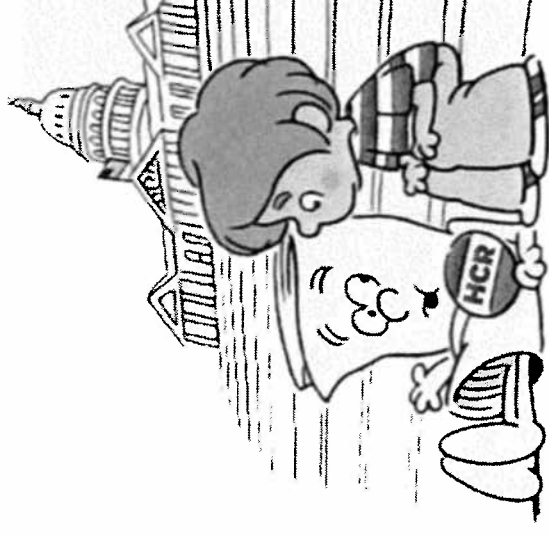
Health Reform: What does it Mean for New Yorkers?

Gwen O'Shea
September 2012



Presentation Overview

- ▶ What does the ACA do?
- ▶ What's in it for individuals and families?
- ▶ What's in it for small businesses?
- ▶ Health Insurance Exchanges



*I don't know if you know this, but
I'm kind of a big deal.*

Why did we need a new law?

- ▶ 2.6 million New Yorkers currently lack health insurance (47 million in US)
- ▶ Working people can't find good affordable coverage
 - 50% of uninsured adults in NY work full-time jobs.
 - Employers are cutting back or dropping health care benefits.
- ▶ Insurance prices have outpaced wages
 - Between 2000 and 2009, health insurance premiums in NY grew by 92%, while median earnings only rose by 14%.
 - The average annual cost of insurance in the individual market in NY is over \$12,000 for an individual, or \$24,000 for a family.
- ▶ 1 in 3 New Yorkers say they or someone in their family postponed getting medical care or a prescription in the past year because of a lack of money or insurance.



What does the ACA do?

- ▶ Expand coverage
 - Individual mandate starting in 2014
 - Medicaid expansion
 - Incentives to small businesses to offer coverage
 - In 2014, the Exchange will enroll 1.6 million New Yorkers in coverage



NY Coverage Estimates

	No Reform	Post Reform
Uninsured	2,724,000 (16%)	1,700,000 (10%)
Employer Insurance	9,603,000 (57%)	8,987,000 (53%) Non-exchange
Employer Insurance Exchange		453,000 (3%)
Medicaid/CHP	4,067,000 (24%)	4,580,000 (27%)
Other (including Medicare)	349,000 (2%)	349,000 (2%)
Non-group Exchange		615,000 (4%)
Non-group- HNY	113,000 (1%)	
Employer insurance- HNY	65,000 (0%)	
Non-group	32,000 (0%)	270,000 (1%) Non-exchange

What does the ACA do?

- ▶ Make coverage affordable
 - Pool risk
 - Costs of direct pay individual and family coverage will drop by 66%
 - Costs of small business coverage will drop by 5–22%
 - Subsidies for individuals
 - Up to 400 % FPL (\$73,240/year for a family of 3)
 - New Yorkers will receive 2.4 billion in tax credits annually for coverage
 - Tax credits for small businesses
 - 220 million in tax credits annually



Subsidies offered through Exchange

- ▶ If you earn < 400% of the federal poverty level, may be eligible for subsidies -- advanceable and refundable “tax credits” -- to buy insurance through Exchange.
 - Refundable payments will be issued to enrollee via tax returns, advanceable payments will be issued directly to health plan.
 - Subsidies may only be used for private insurance purchased on the Exchange.

Annual Income Range (family of three)	Maximum annual premium costs	Maximum annual co-pays & deductibles
< 133% FPL	\$487	\$3,867
134%-150% FPL	\$730 - \$1,098	\$3,867
151%-250% FPL	\$1,098 - \$2,883	\$3,867 - \$5,800
251%-300% FPL	\$2,883 - \$4,421	\$5,800
301%-400% FPL	\$4,421 - \$6,957	\$7,733

What's in it for New Yorkers?

- ▶ **Expanded consumer protections**
Insurance will become more secure and dependable through new regulations, such as:
 - No more lifetime benefit limits
 - No more unreasonable annual caps on benefits (>6.4 million New Yorkers)
 - No more co-payments or deductibles for preventative services (3 million New Yorkers)
 - No more denials of coverage to anyone with a pre-existing condition (starting in 2010 for children and 2014 for adults)
 - No more rescissions (retroactive cancellations of coverage)

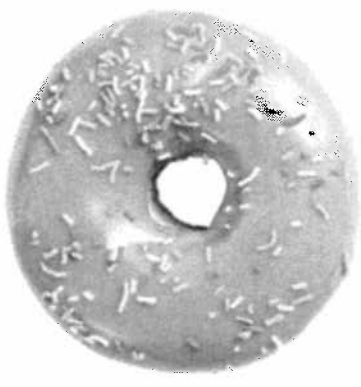


What's in it for New Yorkers?

- ▶ Expanded consumer protections
 - Caps on medical loss ratio (82% in New York State)
 - Prior approval of rate increases
 - NY cut rate increases from 12.7% to 8.2%
 - saving 2 million New Yorkers more than \$400 million
 - NY ordered \$114 million in rebates to 573,000 people covered by 11 insurance companies
 - \$142 million in rebates expected in NY this month



What's in it for Seniors?

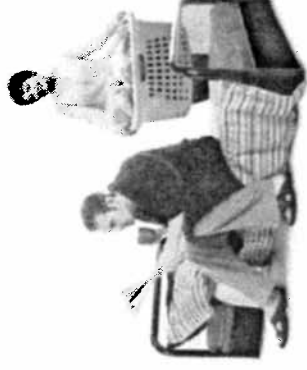


- ▶ For seniors with Medicare:
 - By 2014, Medicare Advantage plans will be required to spend at least 85¢ of every \$1 on health care for seniors.
 - In 2010, more than 250,000 senior New Yorkers got a \$250 prescription drug rebate to help when they hit the Part D “doughnut hole” .
 - In 2011, over 230,000 seniors got a 50% discount on their prescriptions when they hit the doughnut hole (\$160 million in savings for New York seniors).
 - By 2020, the Medicare donut hole will be closed



What's in it for young adults?

- ▶ Young adults less than 26 years old can get covered through parents' their parents' job-based insurance.
 - Don't have to be in college
 - Can be married
 - In NY, people between 26 and 29 can pay more and keep coverage through their parents' employer (will cost slightly more).

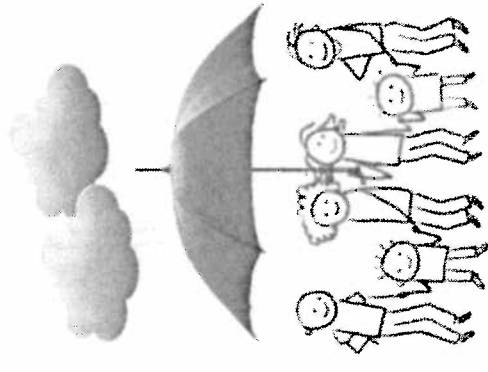


- ▶ Since passage of the ACA, 160,000 young adults in NY gained coverage through their parents

What's in it for New Yorkers?

- ▶ **For Children:**
 - Kids are no longer subjected to a pre-existing condition exclusion
 - Kids (and everyone else) with Medicaid will have more doctors to choose from because the new law raises pediatrician and primary care payment rates to match Medicare rates
 - Kids under 19 in families that earn less than 133% FPL (\$24,300 for a family of 3) will be eligible for free Medicaid coverage

- ▶ **For women:**
 - No co-pays for preventive services and screenings
mammograms, Pap smears), maternity mandated



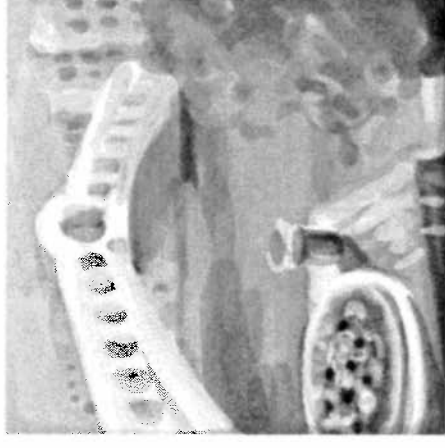
What's in it for immigrants?

- ▶ Immigrants with insurance & like it, may keep it
- ▶ Lawfully present immigrants who don't like current insurance, or do not have insurance, starting in 2014 may purchase insurance on the Exchange and get subsidies if standard eligibility requirements are met
- ▶ Undocumented immigrants cannot buy insurance or get subsidies on the Exchange. But family members who are citizens or lawfully present CAN.



What's in it for New Yorkers?

- ▶ For people with pre-existing conditions:
 - Bridge Plan
 - Pre-existing condition insurance plan
 - Emblem Health – GHI
- For people who have been uninsured for at least 6 months and have a pre-existing condition
- Premium \$421 downstate and \$362 upstate




The ACA Triple Play

- ▶ Megan Schley, Circleville, New York
 - Bridge Plan
 - Dependent (up to age 26) Coverage
 - Consumer Assistance Program—Community Health Advocates



What's in it for small business?

- ▶ Tax credits: Credit amounts phase-in based on the number of employees and their average earnings
 - ▶ Employers with <25 employees and average annual wages of <\$50K who offer health insurance and pay at least 50% of the cost may be eligible for tax credits of up to 35% of their share of the cost starting 2010 (50% in 2014)
 - ▶ To qualify for the full credit amount, an employer must have 10 or fewer employees and average wages of \$25K or less
- 

What's in it for other employers?

- ▶ Employers with 200+ employees must automatically enroll employees in health plans (employees can opt out)
- ▶ Employers with 50 + employees
 - ...who do offer coverage, but who still have at least one full-time employee getting premium credits, can either pay penalty or offer employee a “free choice” voucher to buy coverage on the exchange
 - ...who do not offer health insurance, must pay a penalty if at least one full-time employee uses premium credits 17
- ▶ Employers with less than 50 employees are exempt from requirements and penalties



Health Insurance Exchanges

- ▶ Marketplaces starting in 2014
- ▶ Like a health insurance “Costco” where people can get wholesale prices for insurance
- ▶ Pools risk and improves bargaining power for individuals and small businesses
- ▶ Website and telephone hotline to help individuals and small businesses buy and enroll into “qualified health plans”
- ▶ With the mandate, the Exchange will offer much more affordable coverage



Health Insurance Exchanges

- ▶ Exchanges will assist with:
 - Enrollment in Medicaid or commercial coverage
 - Plan comparison on an “apples to apples” basis on a website
 - Application for subsidies or tax credits
- ▶ Only citizens and immigrants who are lawfully present can use the Exchange
- ▶ Small Business (SHOP) Exchange
 - Choice
 - Comparison
 - Billing
 - Tax credits



The Bottom Line: Health Security

- ▶ 1.6 million New Yorkers will gain insurance
- ▶ Insurance industry will be better regulated
- ▶ The cost of insurance will likely go down due to more people paying into the system.
 - In NY, it is estimated that the premiums on the direct-pay market will go down by as much as 66%. Job-based coverage will go down by about 22%.
 - Fewer health-related bankruptcies, more job and health security
- ▶ People will be able to use the new insurance Exchange as a simplified way to enroll into both public insurance programs and private health plans.
 - The new law sets aside grants to states to establish consumer assistance programs to help people enroll in plans, file complaints and appeals, and solve problems.

Community Health Advocates: CHA

- ▶ NYS designated Health Care Consumer Assistance

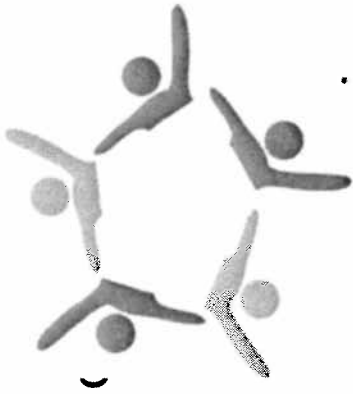
- 13 small business-serving groups
- 30 community based organizations
- Statewide

- ▶ CHA:

- Educates NY consumers about rights within the health care system
- Provides individual assistance with access to care and coverage
- Collects data and identifies trends affecting consumers

- ▶ Achievements

- 80,000 cases since 2010
- More than 20 sentinel issues identified and reported



community
health advocates



HWCLI's Community Health Advocacy Program

- Provides assistance, guidance and advocacy to individuals trying to navigate the health system; and
- Provides community presentations on health insurance and health care access

Kelly Murray , Coordinator for Nassau and Suffolk
Counties

(516) 505-4833

Community Health Advocates for NYC and NYS

1-888-614-4400



Health & Welfare Council of Long Island

Overview

HWCLI is a 65 year old membership organization that serves the interest of poor and vulnerable people on Long Island by convening, representing, and supporting the non-profit agencies that serve them; and through

- ▶ Illuminating the issues that critically impact them
- ▶ Organizing community and regional responses to their needs
- ▶ Advocacy
- ▶ Research
- ▶ Policy Analysis
- ▶ Providing services, information and education
- ▶ Capacity Building



Focus Areas

To carry out its mission, HWCLI use an overlapping three-prong approach that includes:

- ▶ Coordination of the Health & Human Service Section;
- ▶ Advocacy and Public Policy; and
- ▶ Direct Services



Programs

- ▶ **Health Care Access:**
 - Child & Family Insurance Facilitated Enrollment Program
 - Consumer Health Advocate Program
 - Insurance Reach–Out/Retention Program
- ▶ **Nutrition Access**
 - Nutrition Outreach & Education Program
 - Long Island Anti–Hunger Initiative
 - Long Island Anti–Hunger Taskforce
- ▶ **Economic Stability:**
 - Financial Aid U
 - EITC/VITA Outreach & Education
 - Long Island Earned Income Tax Credit Coalition

