

Health Insurance Update: Protections for People with Diabetes



The Affordable Care Act, passed in 2010, includes a number of changes to improve access to health insurance for individuals and families and make coverage more affordable. Some parts of the law are already in place and people with diabetes are already benefiting from them, while many other protections go into effect in 2014.

Protections Already in Effect

Coverage for Children: Job-based plans and new individual plans cannot deny children coverage because of diabetes or any other pre-existing condition.

Coverage for Young Adults: Young adults can stay on their parent's insurance plan until age 26 as long as the policy covers dependents.

Free Preventive Care: Most health plans are required to provide certain health services aimed at preventing disease at no charge. This includes diabetes screenings for adults with high blood pressure; cholesterol screenings; obesity screening and counseling; diabetes screening for pregnant

women; and some preventive services for children. Certain preventive services are also free for people with Medicare, including medical nutrition therapy for people with diabetes and an annual wellness visit to develop (or update) a personal prevention plan.

No Lifetime Dollar Limits on Coverage: Health insurance plans cannot set a dollar limit on the amount the insurance company will spend on "essential health benefits" over the course of the time a person is enrolled in that plan.

Limits on Drug Costs for People with Medicare: Medicare beneficiaries with high prescription drug costs that put them in the coverage gap (also called "donut hole") get a 52.5% discount on covered brand-name drugs while in the gap in 2013 and 2014. Additional savings will occur each year for people in the gap until 2020, when the coverage gap won't exist anymore.

Summary of Benefits and Coverage: Individuals have the right to get a plain language summary (called a Summary of Benefits and Coverage, or SBC) of a health plan's benefits to help them better understand the plan's coverage and compare plans. Plans must provide the SBC when a person is shopping for coverage, when there is a major change in benefits, or anytime a person asks for it. The SBC must include a general coverage example for managing type 2 diabetes. This example provides a snapshot of how much the plan might pay for medical care for a sample patient with type 2 diabetes. The example will not estimate your specific costs for managing your diabetes, but will help in comparing different plans. Individuals can also ask for a copy of a glossary of terms used in health coverage. People who don't speak English may be able to get the SBC and glossary in their native language upon request.

Protections Effective in 2014

Coverage for People with Diabetes: Starting in 2014, job-based plans and new individual plans aren't allowed to deny coverage, charge more, or refuse to cover treatments due to a pre-existing condition, such as diabetes.

New Health Insurance Marketplaces: Starting October 1, 2013, a new Health Insurance Marketplace (Marketplace) will be available in every state where individuals, families, and small businesses can buy health insurance. Plans in the Marketplace must meet certain requirements for benefits, consumer protections, and cost to the consumer. Coverage bought in a Marketplace will be effective as early



as January 1, 2014. Initial open enrollment starts on October 1, 2013 and ends on March 31, 2014 and there will be a yearly open enrollment period every fall. Trained individuals called “Navigators” will be available to help individuals understand their coverage options and the enrollment process. Assistance will be available in-person, over the phone, and online, and will be available in multiple languages.

For more information on the Marketplace and Navigators in your state, call 1-800-318-2596 or visit www.healthcare.gov. The American Diabetes Association also has a fact sheet on the new Marketplaces available at www.diabetes.org/HealthInsuranceMarketplaces or by calling 1-800-DIABETES (342-2383).

Financial Assistance: Financial assistance to make health insurance more affordable in the new Marketplace will be available for individuals and families who meet certain income requirements and do not qualify for affordable job-based coverage or certain other types of coverage.

Medicaid Expansion: It is up to each state to decide whether to extend Medicaid eligibility to people earning up to 138% of the federal poverty level (approximately \$15,856.20 for an individual and \$32,499 for a family of four in 2013.)

Essential Health Benefits: A minimum set of “essential health benefits” like hospitalization, prescription drugs, preventive services, and chronic disease management must be covered in all new

individual and small group plans (including all plans sold in the new Marketplace) starting in 2014.

••••• **Tip:** *The specific benefits and what you pay within these categories of services can vary by state and by plan. When shopping for health insurance, it is important to ask if the plan covers the diabetes supplies, services, and prescription medications you need, and what it costs.*

No Annual Dollar Limits on Essential Health Benefits: Most health plans cannot set a dollar limit on what they spend on “essential health benefits” for an individual’s care during a given year.

Other Changes Coming in 2014:

Starting in January 2014, most individuals must have health insurance that is considered “minimum essential coverage” or qualify for an exemption. Otherwise, the individual will owe a tax penalty during the following year. Plans purchased in the Health Insurance Marketplaces as well as job-based coverage, Medicare, Medicaid, state Children’s Health Insurance Programs (CHIP), TRICARE and the Veterans health care program, and certain other coverage meet this requirement. If health insurance is not considered affordable for an individual, that person will qualify for an exemption from the tax penalty. Learn more about the new individual requirement at www.healthcare.gov.

Where to Find More Information

For more information about these insurance protections and programs, call 1-800-318-2596 or visit www.healthcare.gov.

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You can also contact your state’s Department of Insurance for information about insurance requirements and consumer protections in your state. Information for state insurance departments is available at: www.naic.org/state_web_map.htm.

Some states have Consumer Assistance Programs offering direct help to individuals with problems or questions about their health insurance. These programs also help you file an appeal when an insurance claim is denied. Find out if your state has a consumer assistance program here: www.healthcare.gov/how-can-i-get-consumer-help-if-i-have-insurance/.

This document can be found online at www.diabetes.org/HealthInsuranceUpdate2014.