



## A Consumer's Quick Guide to the Affordable Care Act's Private Health Insurance Reforms

Problem	Affordable Care Act's Solution	Date When Solution Takes Effect	Exceptions
<p><b>Young Adults Are Disproportionately Uninsured:</b> Health insurance companies have typically terminated health insurance coverage for dependent children when they turn 19 or graduate from college.</p>	<p><b>Expanding Dependent Coverage:</b> If a health plan covers children, it must allow parents to add or keep their children on their plan until children turn 26 years old.</p>	September 23, 2010	Until January 2014, if young adults have access to an employer sponsored health insurance plan through their job, their parents' health insurance plan is not required to enroll them.
<p><b>Barriers to Receiving Preventive Care:</b> Charging for health care services aimed at preventing illnesses and keeping people healthy can discourage people from seeking necessary care.</p>	<p><b>No Cost Sharing for Preventive Care:</b> Health insurance plans cannot charge co-pays, co-insurance, or deductibles for preventive services such as check-ups for children under age 21, flu vaccinations, and blood pressure and diabetes screening tests.</p>	September 23, 2010	Individual and job related health insurance plans that were in existence prior to March 23, 2010 are exempt from the solution.
<p><b>Health Insurance Coverage Being Taken Away:</b> Health insurance companies have been able to cancel health insurance coverage if they found mistakes on applications.</p>	<p><b>Ending Health Insurance Cancellations:</b> Health insurance companies cannot cancel health insurance coverage if consumers make honest mistakes on applications.</p>	September 23, 2010	None
<p><b>No Standard Right to Appeal Health Insurance Company Decisions:</b> The right to appeal decisions made by health insurance companies to deny payment for treatments has varied widely.</p>	<p><b>A Standard Right to Appeal:</b> Consumers have the right to ask health insurance companies to reconsider decisions to deny payment for treatments.</p>	September 23, 2010	Individual and job related health insurance plans that were in existence prior to March 23, 2010 are exempt from the solution.
<p><b>Pre-Existing Condition Exclusions and Denials:</b> Consumers with health problems that</p>	<p><b>End of Pre-Existing Condition Exclusions and Denials:</b> Health</p>	September 23, 2010 for children, January	Individual and job related health insurance plans that were in

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developed prior to applying to join a health insurance plan have found it difficult, if not impossible, to find health insurance coverage.	insurance plans cannot limit or deny benefits or deny coverage for consumers with health problems.	2014 for adults	existence prior to March 23, 2010 are exempt from the solution.
<p><b>Lifetime and Annual Limits on Benefits:</b> Many health plans have had dollar limits that determined how much money would be paid out for covered benefits over an enrolled person's entire lifetime as well as on a yearly basis.</p>	<p><b>Elimination of Lifetime and Annual Benefit Limits:</b> Lifetime dollar limits on essential health benefits are no longer permitted and annual limits are phased out until they are completely eliminated as well.</p>	September 23, 2010 for lifetime limits, January 1, 2014 for annual limits	Individual and job related health insurance plans that were in existence prior to March 23, 2010 are exempt from the ban on lifetime limits while only individual health insurance plans in existence prior to March 23, 2010 are exempt from the ban on annual limits.
<p><b>Health Insurance Companies Spend Too Much on Administrative Costs and Profits:</b> Consumers want to know that their health insurance premiums are being spent on health care services and not on administrative costs and profits.</p>	<p><b>Getting More Value Out of Premium Dollars:</b> Health insurance companies selling to large employers must spend at least 85% of premiums and health insurance companies selling to individuals and small employers must spend at least 80% of premiums on clinical services and quality improvement.</p>	January 1, 2011	Health insurance plans at large employers where the employer itself collects premiums from enrollees and takes on the responsibility of paying employees' medical claims are exempt from the solution.
<p><b>Unaffordable Increases in Health Insurance Premiums:</b> Health insurance premiums have been rising rapidly, making it difficult for both families and businesses to afford coverage.</p>	<p><b>Review of Health Insurance Premium Increases:</b> Health insurance companies must publicly justify large premium increases.</p>	September 1, 2011	Job related health insurance plans at large employers as well as individual and job related health insurance plans at small employers that were in existence prior to March 23, 2010 are exempt from the solution.
<p><b>Health Insurance Coverage Denials:</b> Health insurance companies have been able to deny</p>	<p><b>Guaranteed Health Insurance Coverage and Renewals:</b> If consumers apply for</p>	January 1, 2014	Health insurance plans at large employers where the employer

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health insurance coverage or decide not to renew existing health insurance coverage offered to consumers.	health insurance coverage, the health insurance company must offer it. Once health insurance coverage is issued, health insurance companies must allow consumers to renew it.		itself collects premiums from enrollees and takes on the responsibility of paying employees' medical claims and individual and job related health insurance plans that were in existence prior to March 23, 2010 are exempt from the solution.
<b>No Standard Covered Benefits:</b> The benefits covered by health insurance plans have varied widely across the country.	<b>Essential Health Benefits Covered:</b> A uniform set of essential health benefits must be covered by health plans including services such as: outpatient care, hospital care, emergency care, and prescription drugs.	January 1, 2014	All job related health insurance plans at large employers as well as individual and job related health insurance plans at small employers that were in existence prior to March 23, 2010 are exempt from the solution.
<b>Much Higher Health Insurance Premiums for Sick Consumers:</b> Health insurance companies have charged higher health insurance premiums to people with a history of illness or who are currently sick.	<b>Restrictions on Charging Different Premium Rates to Sick Consumers:</b> Health insurance premiums cannot be based on health history or current health status.	January 1, 2014	Health insurance plans at large employers where the employer itself collects premiums from enrollees and takes on the responsibility of paying employees' medical claims and individual and job related health insurance plans that were in existence prior to March 23, 2010 are exempt from the solution.