

How Health Care Reform Affects Patients with Cancer

Stephanie Fajuri, Staff Attorney, Cancer Legal Resource Center

Disability Rights Legal Center

CLRC

Cancer Legal Resource Center

Phone

TDD

Fax

Email

866.THE.CLRC

213.736.8310

213.736.1428

CLRC@LLS.edu



www.CancerLegalResourceCenter.org

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2013

Today's goals: giving an overview of...

- 1) Already-implemented protections
- 2) Covered California
- 3) Medi-cal expansion



And how they all fit together...

What is the CLRC?

Our mission: To provide information & resources on cancer-related legal issues to cancer patients, survivors, caregivers, health care professionals, employers, and others coping with cancer.



CLRC services are



FREE!

Webinars and Online Materials

- Online Presentations
- Educational Materials: National, State, and County-Specific Guides
- Spanish Language Materials
- Manuals: Legal Resource Guides for People with Cancer in California and Illinois
- The HCP Manual: A Legal Resource Guide for Oncology Health Care Professionals – **3rd Edition**



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National Telephone Assistance Line



- 1. Phone Calls**
2. Emails
3. Letters
4. Faxes
- 5. Online Intake Form**

www.clrcintake.org

Health Reform Today



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Which policies have to comply?

MOST group and individual plans



May **NOT** apply/apply differently to:

- TRICARE
- Medicare/Medicaid
- Flexible spending accounts (FSA)/ Health Savings Accounts (HSA)
- Indian Tribal Governments



What's a Grandfathered Plan?

- Policies issued **prior to 3/23/10** = Grandfathered
 - Unless substantial changes
- Policies issued **on or after 3/23/10** = comply immediately

2 Types of Employer-Sponsored Health Plans

Insured

Self-Insured



Lifetime and Annual Limits

- Previously...
 - Limits on benefits paid out each year or over the entire course of the policy
 - As low as \$50,000



Lifetime Limits Post ACA

- No lifetime limits on “**essential health benefits**”
 - Ex: emergency care, hospitalization, Rx, ambulatory care, etc.



Applies to ALL plans

Annual Limits Post ACA

- Annual limits/caps on “**essential health benefits**” have raised and only allowed until 2014



Applies to grandfathered plans
Group → YES
Individual → NO

Rescissions



Rescissions Post ACA

ONLY if:

Fraud

OR

Intentional Misrepresentation of Fact



Plans must give 30 days notice



Applies to ALL Plans

Changes in Preventive Care

Covered!

In-Network?

NO deductibles

NO co-payments

- **Medicare, too!**



NOT grandfathered plans

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Expanded Coverage for Kids & Young Adults

Children covered under parent's
plan until age 26



Applies to ALL plans

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Children:

<19 cannot be denied
based on a pre-existing condition



Applies to grandfathered plans

Group → YES

Individual → NO

Internal Appeal Rights

For plans and policies beginning July 1, 2011

- Notification of reason for denial and rights to appeal
- Must respond to appeal in
 - 72 hours for urgent request
 - 30 days for non-urgent
 - 60 days for denial of payment for services already received



Applies to self-insured plans

NOT to grandfathered plans

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External Appeal Rights

As of January 1, 2012

- Independent external review body
- 60 days to request and respond
- Expedited appeals are responded to in 4 days
- Doesn't replace California's more extensive laws



Applies to self-insured plans



NOT to grandfathered plans

Medicare Improvements



- Free Preventive Services
- Annual wellness visit
- Medicare Advantage Plans - 85% Medical Loss ratio
- Cost controls (helps keep Part B premiums down)

Part D - Cost of Sharing

Donut hole will be reduced from 100% cost share to 25% by 2020!

	You Will Pay This Percentage for Brand-name Drugs in the Coverage Gap	You Will Pay This Percentage for Generic Drugs in the Coverage Gap
2011	50%	93%
2012	50%	86%
2013	47.5%	79%
2014	47.5%	72%
2015	45%	65%
2016	45%	58%
2017	40%	51%
2018	35%	44%
2019	30%	37%
2020	25%	25%



Long-Term Benefits 2014-2020

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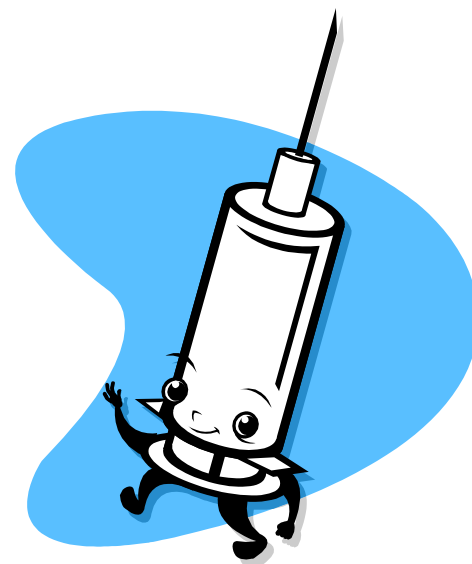
Pre-Existing Conditions: Adults

- Starting 2014 insurers **cannot** consider:
 - Pre-existing condition (physical or mental)
 - Health status
 - Medical history
 - Genetic information
 - Gender



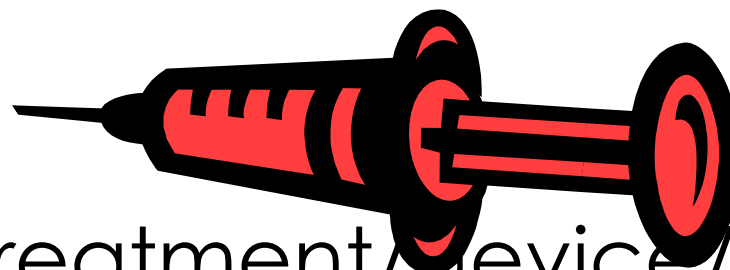
Clinical Trials Post ACA

- Health insurance **MUST cover** routine costs
- **CANNOT discriminate** for participating
- **No preemption** for more protective state laws



Clinical Trials Post ACA

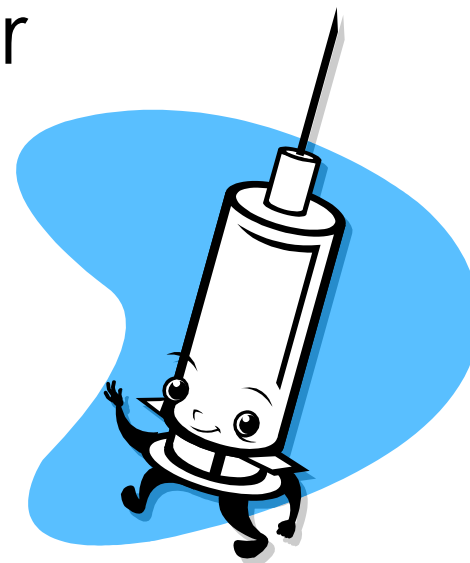
NOT covered:



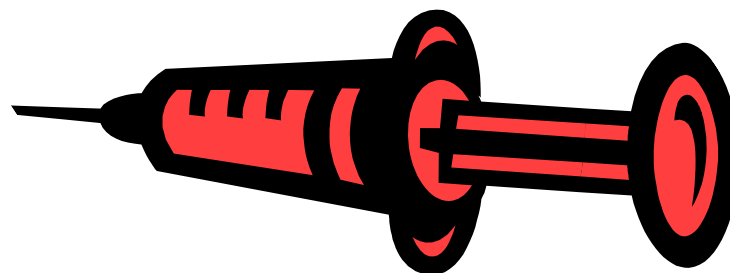
- **Investigational** treatment/device/service itself
- Items/services solely for satisfying **data collection and analysis** needs
(not used in the clinical management)
- Any service clearly **inconsistent with standards of care**

Clinical Trials Under Medicare

- **MUST cover** routine costs
- **CANNOT discriminate** for participating
- **Same coverage** under Medicare Advantage, Original Medicare, and any other Medicare plan.



Clinical Trials Under Medicare



NOT covered:

- Item/service itself (unless covered outside of study)
- Items/services solely for satisfying **data collection and analysis** needs
- **Free items**
- **Co-pays and deductibles**

Individual Mandate



US citizens/legal residents **MUST** have health coverage

- Short breaks – OK
- Certain exemptions

If not: penalties

Insurance Affordability

When setting premium rates, insurers can only consider:



- Individual or Family
- Age
- Rating Area
(geographic location)
- Tobacco Use

Covered California!



Enrollment began
October 1

<http://www.coveredca.com>

Insurance for anyone who can
afford it – including people with
pre-existing conditions

www.coveredca.com

COVERED CALIFORNIA

Your destination for affordable health care

ABOUT US COVERAGE RESOURCES NEWS CENTER LANGUAGES: ENGLISH

Welcome to Covered California

Your destination for affordable, quality health care, including Medi-Cal

Start Here

Or call:
800-300-1506

Plan Options in Exchanges



- **Bronze** = plan covers 60%; you pay 40%
- **Silver** = plan covers 70%; you pay 30%
- **Gold** = plan covers 80%; you pay 20%
- **Platinum** = plan covers 90%; you pay 10%
- **Catastrophic** = covers essential benefits but has high deductible

Tax Credits/Premium Subsidies



Income under 400% FPL

- 400% = \$45,960 individual; \$94,200 family of 4 (2013)

No employer sponsored health insurance, No Medicare/Medicaid

www.coveredca.com

How Much Will You Save Under the New Federal Health Law?

Complete all applicable fields for results.

HOUSEHOLD INFORMATION

Number of people in the household

Annual household income

ENROLLEE INFORMATION

Only enter members of your household who would enroll in Exchange coverage.

Age of the first adult

Age of spouse

Number of children under age 21

Number of children age 21-25

BREAKING DOWN THE MONTHLY COST

Estimated monthly silver plan premium (without subsidy)

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Medicaid Expansion

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ACA expands Medicaid eligibility, but...

“Newly-eligible” \geq 133% of Federal Poverty Level (FPL) (with a 5% income disregard)
Children ages 6-19 \geq 133% FPL

In 2013, 133% of Federal Poverty Level =
Individual: \$15,282 annual income
Family of 4: \$31,322 annual income

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...the Supreme Court's Decision limits Medicaid expansion

- States must voluntarily agree to accept more funding for expansion



Bridge to Health Reform



Low-Income Health Programs
Transition to Medi-Cal

Putting the Pieces Together



- Medi-cal – less than 138% FPL
- Tax Subsidies – 138-400% FPL
- Coveredca.com will place people in either

Percent FPL	Individual	Family
138%	\$15,414	\$31,809
400%	\$44,680	\$92,000

What are today's takeaways?

- 1) Already-implemented protections
- 2) Covered California
- 3) Medi-cal expansion



And how they all fit together...

**For more
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