



## KEY PROVISIONS THAT TAKE EFFECT IMMEDIATELY

UNDER PATIENT PROTECTION AND AFFORDABLE CARE ACT, AS AMENDED BY THE HEALTH CARE AND EDUCATION RECONCILIATION ACT

### FOR SMALL BUSINESSES

**SMALL BUSINESS TAX CREDITS**—Offers tax credits of up to 35 percent of employer premium contributions for those small businesses that choose to over coverage. *Effective beginning for calendar year 2010.* (Beginning in 2014, offers credits of up to 50 percent of employer premium contributions, for up to 2 years.)

### FOR SENIORS

**BEGINS TO CLOSE THE MEDICARE PART D DONUT HOLE**—Provides a \$250 rebate to those Medicare beneficiaries who hit the donut hole in 2010. Beginning in January 2011, there is a 50% discount on prescription drugs in the donut hole. (Also completely closes the donut hole by 2020.)

**FREE PREVENTIVE CARE UNDER MEDICARE**—Eliminates co-payments for preventive services and exempts preventive services from deductibles under the Medicare program. *Effective on January 1, 2011.*

**HELP FOR EARLY RETIREES**—Creates a temporary re-insurance program (until the Exchanges are available) for employer health plans providing coverage for early retirees, helping to protect coverage while reducing premiums for employers and these early retirees ages 55-64. *Effective on June 21, 2010.*

### FOR THOSE PRIVATELY INSURED

**NO DISCRIMINATION AGAINST CHILDREN WITH PRE-EXISTING CONDITIONS**—Prohibits all employer plans and new plans in the individual market from denying coverage to children with pre-existing conditions. *Effective for plan years beginning on or after September 23, 2010.*

**NO RESCISSIONS**—Bans all health plans from dropping people from coverage when they get sick. *Effective for plan years beginning on or after September 23, 2010.*

**NO LIFETIME LIMITS ON COVERAGE**—Prohibits all health plans from placing lifetime caps on coverage. *Effective for plan years beginning on or after September 23, 2010.*

**TIGHTLY REGULATES ANNUAL LIMITS ON COVERAGE**—Tightly restricts the use of annual limits by all employer plans and new plans in the individual market, to ensure access to needed care. *Effective for plan years beginning on or after September 23, 2010.*

**FREE PREVENTIVE CARE UNDER NEW PLANS**—Requires new private plans to cover preventive services with no co-payments and with preventive services being exempt from deductibles. *Effective for plan years beginning on or after September 23, 2010.*

**NEW, INDEPENDENT APPEALS PROCESS FOR NEW PLANS**—Ensures consumers in new plans have access to an effective internal and external appeals process to appeal decisions. *Effective for plan years beginning on or after September 23, 2010.*

**MORE FOR YOUR PREMIUM DOLLAR**—Requires all health plans to put more of your premiums into your care, and less into profits, CEO pay, etc. This medical loss ratio requires plans in the individual market to spend 80 percent of premiums on medical services, and plans in the large group market to spend 85 percent. Insurers that don't meet these thresholds must provide rebates to policyholders. *Effective on January 1, 2011.*

**NO DISCRIMINATION BASED ON SALARY**—Prohibits new employer health plans from establishing any eligibility rules for health care coverage that have the effect of discriminating in favor of higher wage employees. *Effective for plan years beginning on or after September 23, 2010.*

#### FOR THOSE UNINSURED

**IMMEDIATE HELP FOR THE UNINSURED WITH PRE-EXISTING CONDITIONS (INTERIM HIGH-RISK POOL)**—Provides immediate access to insurance for Americans who are uninsured because of a pre-existing condition - through a temporary high-risk pool - until the Exchanges are up and running in 2014. *Effective on July 1, 2010.*

**EXTENDING COVERAGE FOR YOUNG PEOPLE UP TO 26TH BIRTHDAY THROUGH PARENTS' INSURANCE** - Requires plans to allow young people up to their 26th birthday to remain on their parents' insurance policy, at the parents' choice. *Effective for plan years beginning on or after September 23, 2010.*

#### GENERAL REFORMS

**COMMUNITY HEALTH CENTERS**—Increases funding for Community Health Centers to allow for nearly doubling the number of patients served over the next 5 years. *Effective beginning in fiscal year 2011.*

**MORE PRIMARY CARE PRACTITIONERS**—Provides new investments to increase the number of primary care practitioners, including doctors and nurses. *Effective beginning in fiscal year 2011.*

**HEALTH INSURANCE CONSUMER ASSISTANCE**—Provides aid to states to establish offices of health insurance consumer assistance to help consumers file complaints and appeals. *Effective beginning in fiscal year 2010.*

**CREATES NEW, VOLUNTARY, PUBLIC LONG-TERM CARE INSURANCE PROGRAM**—Creates a long-term care insurance program to be financed by voluntary payroll deductions to provide benefits to adults who become functionally disabled. *Effective on January 1, 2011.*

**HOLDS INSURANCE COMPANIES ACCOUNTABLE FOR UNREASONABLE RATE HIKES**—Creates a grant program to support states in requiring health insurance companies to submit justification for requested premium increases. *Effective beginning in fiscal year 2010.*

#### MORE REFORMS THAT BEGIN IN 2014 (WHEN EXCHANGES HAVE FORMED)

**NO DISCRIMINATION AGAINST ADULTS WITH PRE-EXISTING CONDITIONS**

**BAN ON HIGHER PREMIUMS FOR WOMEN**

**PREMIUMS BASED ON AGE CAN ONLY VARY BY A MAXIMUM OF 3-TO-1 RATIO**

**CAP ON OUT-OF-POCKET EXPENSES** for private health plans