



# Fact Sheet

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## Senate Democrats Are On Your Side: Implementing Health Reform that Works for Middle-Class Americans

Earlier this year, Congress passed and the President signed landmark health insurance reform legislation, the *Patient Protection and Affordable Care Act (P.L. 111-148)* and the *Health Care and Education Reconciliation Act (P.L. 111-152)*, and Americans are already experiencing the benefits. These two laws, together referred to as the *Affordable Care Act*, put control over health care decisions in the hands of the American people, not insurance companies. Senate Democrats are committed to implementing health reform that holds insurance companies accountable, brings costs down for everyone, and provides Americans with the insurance security and choices they deserve. This fact sheet provides an overview of recent health reform implementation activity. Previous updates on health reform implementation and other information are available from the DPC. [[DPC](#)]

### *Americans Hold Favorable View of Health Reform*

A new tracking poll released this week by the non-partisan Kaiser Family Foundation found that Americans have a favorable view of the new health reform law, by a 15-point margin. [Kaiser Family Foundation, [7/29/10](#)] Fifty percent of the public now expresses a favorable view of the law, up from 48 percent in June, while just 35 percent hold an unfavorable view, down from 41 percent in June.

### *Establishing the Pre-Existing Condition Insurance Plan*

For far too long, Americans with pre-existing conditions have struggled to obtain the health insurance and the health care they need. For plan or policy years starting on or after September 23, 2010, the *Affordable Care Act* prohibits insurers from discriminating against children with pre-existing conditions, and starting in 2014, the new law protects all Americans from this discrimination. [[P.L. 111-148](#); [P.L. 111-152](#)] But these Americans need help now. As a bridge to a reformed health insurance marketplace, the *Affordable Care Act* creates a special high risk insurance pool, called the Pre-Existing Condition Insurance Plan (PCIP), for uninsured Americans who have been denied health insurance because of a pre-existing condition. The PCIP will be available in every state and the District of Columbia. Some states are running their own program while others are leaving administration to the Department of Health and Human Services (HHS). [HealthCare.gov, accessed [7/29/10](#)]

This week, HHS issued an interim final rule outlining rules for the Pre-Existing Condition Insurance Plan. [*Federal Register*, [7/30/10](#)] The regulation outlines how to determine who is eligible for the plan, what benefits will and will not be covered, and other details to ensure that states and the federal government can move forward with implementing this critical provision of the

*Affordable Care Act.* The Administration estimates that 200,000 – 400,000 Americans will enroll in the Pre-Existing Condition Insurance Plan, which, even at the lower bound of this range, would double the number of Americans covered by high risk insurance pools.

## ***Covering Children with Pre-Existing Conditions***

On June 28, 2010, the Administration issued regulations to implement a provision in the *Affordable Care Act* that prohibits all employer-sponsored plans and new plans in the individual market from excluding coverage of pre-existing conditions for children, for plan or policy years beginning on or after September 23, 2010. [*Federal Register*, [6/29/10](#)] This week, the Administration issued questions and answers on this policy, providing helpful information for parents and insurers. [*HHS*, [7/27/10](#)] This guidance clarifies that insurance companies may establish an open enrollment period, during which parents may sign their children up for coverage. Without such a policy, parents might wait to insure their children only when they become sick, causing plans' costs to increase. In addition, the guidance clarifies that children with pre-existing conditions should not be shifted from the Children's Health Insurance Program (CHIP) to the individual market in an attempt to reduce state health care spending.

## ***Funding for States to Implement Reform***

This week, the Administration announced three grant opportunities for states made possible by the *Affordable Care Act*. [[P.L. 111-148](#); [P.L. 111-152](#)]

### **Grants to Plan and Establish Exchanges**

The *Affordable Care Act* creates a new, competitive health insurance marketplace, through state-based Exchanges, where individuals and small businesses can compare and purchase health insurance online at competitive prices and access the same coverage options that Member of Congress will have. [[P.L. 111-148](#); [P.L. 111-152](#)] Beginning in 2014, Exchanges will provide consumers a one-stop shop for health insurance and promote choice and competition in the purchase of health insurance. The *Affordable Care Act* authorized grants to provide states the funding needed to establish the new Exchanges. This week, the Administration announced the availability of the first round of funding for these grants, a total of \$51 million, or up to \$1 million for each state and the District of Columbia, and released a Fact Sheet with more information. [[GrantSolutions.gov](#), accessed [7/29/10](#); [HealthCare.gov](#), accessed [7/29/10](#)]

### **Grants to Support Children with Special Health Care Needs**

The *Affordable Care Act* extended through Fiscal Year 2012 funding for Family-to-Family Health Information Centers. [[P.L. 111-148](#); [P.L. 111-152](#)] These family-run organizations provide support and services to families of children with special health care needs and the professionals who help care for them. This week, the Administration announced \$4.9 million in grants to support the centers in all 50 states and the District of Columbia. [*Health Resources and Services Administration*, [7/27/10](#)] A list of awardees is available from the Health Resources and Services Administration. [*HRSA*, accessed [7/29/10](#)]

### **Grants to Help Americans with Disabilities Live Independently**

The *Affordable Care Act* expanded and extended the Money Follows the Person Rebalancing Demonstration program. [[P.L. 111-148](#); [P.L. 111-152](#)] This program provides states enhanced Medicaid funding when they transition an individual from institutional care to a home and community-based program. This week, the Administration announced the availability of \$2.5 billion in grants to

extend the program and encourage the participation of states not currently involved. [HHS, [7/26/10](#)]  
More information is available on Grants.gov (CFDA number 93.791) or from the Centers for Medicare & Medicaid Services. [CMS, [7/26/10](#)]

## ***Additional Information***

The Democratic Policy Committee has released seven previous updates on health reform implementation, available on the DPC website [here](#), with the following direct links:

- [July 23, 2010](#)
- [July 16, 2010](#)
- [June 30, 2010](#)
- [June 18, 2010](#)
- [June 11, 2010](#)
- [May 28, 2010](#)
- [May 19, 2010](#)

In addition, DPC maintains a centralized listing of health reform implementation resources which is frequently updated and is available [here](#).