

SECURITY FOR OUR SENIORS — RESPONSIBILITY TO OUR CHILDREN — NOT A DIME ADDED TO THE DEFICIT — AFFORDABILITY FOR THE MIDDLE CLASS — CHILDREN — NOT A DIME ADDED TO UNITED STATES SENATOR HARRY REID OF NEVADA SENIORS — RESPONSIBILITY TO OUR C

AFFORDABLE CARE ACT

TWO YEARS LATER: THE BENEFITS OF THE AFFORDABLE CARE ACT FOR NEVADA

For too long, hardworking Americans paid the price for policies that gave free rein to insurance companies and put barriers between patients and their doctors. The Affordable Care Act offers hardworking families in Nevada the security they deserve, and Nevadans are already starting to see the benefits. Nevadans with insurance now don't have to worry about losing their insurance due to a mistake on an application, or lifetime limits on coverage that can overwhelm families when someone is in an accident or becomes sick. The law provides resources to Nevada to increase oversight of insurance companies and help prevent double-digit premium increases. Health reform reduces costs for families and businesses and has already made it illegal for insurance companies to deny coverage to children because of a pre-existing condition. Young adults are now able to remain on their parents' policies until age 26, helping them get a start in this tough economy. And insurance companies now have to cover preventive care like mammograms and other cancer screenings. The new law also makes significant investments in state and community-based efforts that promote public health, prevent disease, and protect against public health emergencies.

Specifically, the Affordable Care Act is already helping Nevadans by:

Providing New Benefits and Lowering Costs for Medicare Beneficiaries

In 2011, 230,891 people with Medicare in Nevada were able to access free preventive services – such as mammograms and colonoscopies – and free annual wellness visits with their doctor. Also, more than 24,892 Nevada residents who hit the Medicare prescription drug coverage gap known as the “donut hole” received \$250 tax-free rebates in 2010. In 2011, 22,193 people with Medicare received a 50 percent discount on their covered brand-name prescription drugs when they hit the donut hole. This discount resulted in an average savings of \$553 per person, and a total savings of \$12,274,764 across Nevada. These savings for seniors will increase in the coming years -- by 2020, the law will close the donut hole completely.

Lowering Taxes for Small Businesses

The law provides \$20 billion in tax credits to as many as 4 million small businesses, including up to 30,345 in Nevada, to help offset the costs of purchasing coverage for their employees and make premiums more affordable.

Supporting Nevada's Work on Affordable Insurance Exchanges

Nevada has received \$20.3 million in grants for research, planning, information technology development, and implementation of the Affordable Insurance Exchanges, where Nevadans will be able to shop for the health insurance option that best meets their needs.

- **\$1 million in Planning Grants:** This grant provides Nevada the resources needed to build a better health insurance marketplace and determine how the state's Exchange will be operated and governed. To learn how the funds are being used in Nevada visit: www.healthcare.gov/news/factsheets/2010/07/grantawardslist.html.
- **\$19.3 million in Exchange Establishment Grants:** These grants are helping states continue their work to implement key provisions of the Affordable Care Act. To learn how the funds are being used in Nevada visit: www.healthcare.gov/news/factsheets/2011/05/exchanges05232011a.html.

Preventing Illness and Promoting Health

54 million Americans with private health insurance now have access to preventive service coverage such as mammograms and cancer screenings with no cost-sharing, including 477,000 in Nevada. Since 2010, Nevada has received \$7.5 million in grants from the Prevention and Public Health Fund, which was created by the Affordable Care Act to support effective policies in Nevada, and across the country so that all Americans can lead longer, more productive lives.

Providing More Resources for Nevada

The law provides states resources to support their work to expand the health care workforce, crack down on fraud, and support public health. So far, Nevada has received \$41.3 million from the Affordable Care Act to support these efforts, including:

- **\$161,000 to support the National Health Service Corps**, by assisting Nevada in recruiting health care professionals to serve in areas with a shortage of doctors, nurses, and other health care workers in exchange for assistance with their educational loans.
- **\$700,000 to help Nevada reduce health care fraud** by identifying efficient and effective procedures for long-term care facilities to conduct background checks on prospective employees, thereby protecting their residents.
- **\$200,000 to support outreach to eligible Medicare beneficiaries** about the benefits they have earned.
- **\$191,000 for Family-to-Family Health Information Centers**, organizations run by and for families with children with special health care needs.
- **\$400,000 to support the Personal Responsibility Education Program**, to educate youth on both abstinence and contraception for the prevention of pregnancy and sexually transmitted infections, including HIV/AIDS.
- **\$400,000 for disease demonstration projects**, to test innovative health care approaches for Medicaid beneficiaries.
- **\$2.4 million for Maternal, Infant, and Early Childhood Home Visiting Programs**. These programs bring health professionals to meet with at-risk families in their homes and connect families to the support needed for a child's health, development, and ability to learn - such as health care, early education, parenting skills, child abuse prevention, and nutrition.

Providing Quality, Affordable Health Care for Women

The Affordable Care Act ensures coverage of prevention and basic health services, including maternity benefits, to create a system that encourages innovations in health care to prevent illness and disease before women require more costly treatment. Today, maternity benefits are often not provided in health plans in the individual insurance market, even though a \$1 investment in prenatal care for a woman with diabetes generates \$5 in savings from reduced complications.

Covering Children with Pre-Existing Conditions

As a result of the new health care law, most insurance companies are now banned from denying coverage to children because of a pre-existing condition. An estimated 162,000 kids with a pre-existing condition in Nevada will be protected because of this provision. In 2014, insurers are banned from discriminating against anyone with a pre-existing condition.

Removing Lifetime Limits on Health Benefits

The law bans insurance companies from imposing lifetime dollar limits on health benefits – freeing cancer patients and individuals suffering from other chronic diseases from having to worry about going without treatment because of their lifetime limits. Already, 937,000 residents, including 329,000 women and 269,000 children, are free from worrying about lifetime limits on coverage. The law also restricts the use of annual limits and bans them completely in 2014.

Making it Illegal for an Insurance Company to Drop Coverage When You Get Sick

The law bans insurance companies from dropping coverage when an individual gets sick because of a simple mistake on an application. This will protect 110,000 Nevada residents who buy coverage on the individual market from losing their coverage when they need it the most.

Increasing the Value of Your Premium Dollar

Under the law, insurance companies must provide consumers greater value by spending at least 80 percent of premium dollars on health care and quality improvements instead of overhead, executive salaries, or marketing. Otherwise they must provide consumers a rebate or reduce premiums. This means that 615,000 Nevada residents with private insurance coverage will receive greater value for their premium dollars.

Scrutinizing Unreasonable Premium Increases

In every state, and for the first time under Federal law, insurance companies are required to publicly justify their actions if they want to raise rates by 10 percent or more. Nevada has received \$5 million under the new law to help fight unreasonable premium increases..

Strengthening Economic Growth in Nevada

Since the President signed the Affordable Care Act into law last March, the economy has created nearly 1.4 million private sector jobs, and has grown at an average annual rate of 2.7%. Experts predict that the Affordable Care Act will create anywhere from 250,000 – 400,000 jobs each year.

Lowering Costs for Early Retiree Coverage

An estimated 38,600 people from Nevada retired before they were eligible for Medicare and have health coverage through their former employers. Unfortunately, the number of firms that provide health coverage to their retirees has decreased over time. But thanks to the creation of the Early Retiree Reinsurance Program in the Affordable Care Act, 24 employers in Nevada have been approved to receive support to firms that continue to provide health coverage to their early retirees—lowering their total health care costs.

Creating New Coverage Options for Individuals with Pre-Existing Conditions

As of the end of 2011, 579 previously uninsured residents of Nevada who were unable to get health care coverage because of a pre-existing condition are now insured through the new Pre-Existing Condition Insurance Plan that was created under the new health reform law. To learn more about the plan available in Nevada visit: www.pcip.gov/StatePlans.html.

Increasing Support for Community Health Centers

The Affordable Care Act increases resources available to community health centers in all 50 states, including the 28 existing Community Health Centers in rural communities and cities across Nevada. Health centers in Nevada have received \$3.7 million to create new health center sites in medically-underserved areas, enable health centers to increase the number of patients served, expand preventive and primary health care services, and support major construction and renovation projects. This builds on a \$2 billion investment in Community Health Centers in the American Recovery and Reinvestment Act, which has provided an unprecedented opportunity to serve more patients, create new jobs, and meet the significant increase in demand for primary health care services.

Reducing the Health Care Workforce Shortage

Nearly 13% of Nevada residents live in an area with a shortage of doctors or nurses or lacking in health care facilities. The law includes new resources to boost the number of doctors, nurses and health care providers in communities where they

are needed most. These resources include grants, scholarships, loan repayment programs, as well as increased support for educational institutions that provide training for a range of health care careers. The law also ensured that Nevada would receive more graduate medical education training slots because physicians who train in our state will stay here to practice when they complete their educations.

MORE BENEFITS IN THE YEARS AHEAD

Exchanges Offering Affordable, Quality Coverage Options

In 2014, consumers will have access to new competitive insurance marketplaces called Exchanges that will make it easier for consumers to compare benefits and costs. More than 23 million Americans are estimated to use the Exchanges to purchase private, affordable, quality health insurance. Each state will run their own Exchange and will have the flexibility to dictate the design and operation of their Exchange. States may choose not to operate an Exchange, in which case, their residents will be eligible to purchase affordable private insurance through a federally-managed Exchange.

Tax Credits to Make Health Care More Affordable

In 2014, new tax credits will help middle class families afford health insurance. Tax credits will be available for Americans with incomes up to 400% of poverty (up to about \$88,200/year for a family of four) to purchase coverage through the Exchanges. The Congressional Budget Office estimates that approximately 19 million Americans will receive tax credits. When the impact of new premium tax credits are taken into account, many people in the individual market could see their premiums drop by up to 60%, compared to their current premiums.

Expanding Coverage

In 2014, states will receive additional resources to expand Medicaid to cover individuals with incomes of up to \$14,000, or \$29,000 for a family of four. The Congressional Budget Office estimates that 16 million people will gain coverage through this expansion. The federal government will cover 100 percent of the costs of expansion at the outset, and overall, states' share of each Medicaid enrollee's health care expenses will decrease by 4.5 percent from today's levels. As more Americans gain coverage, states and local governments are estimated to save approximately \$70-80 billion in uncompensated care, which exceeds the new costs to states of expanding Medicaid.

Reducing the Deficit

The Congressional Budget Office projects that the Affordable Care Act will reduce the deficit by more than \$1 trillion in the next two decades.