

FEDERAL HEALTH INSURANCE REFORM

By: Valerie A. Powers Smith, Esq.

The Patient Protection & Affordable Care Act and Health Care & Education Affordability Reconciliation Act (HCEARA) was passed into law in March 2010. As of the writing of this article, the governing regulations are still in the development stage. Here is what is presently known about the new reform law:

Starting as early as September 23, 2010, private insurance plans:

- Cannot exclude or reject coverage to any child birth through age 18 based on a pre-existing condition, including a disability.
- Cannot charge higher premiums based on premiums based on pre-existing conditions.
- Cannot drop an individual who becomes ill.
- Cannot include lifetime limits on one's coverage.
- Cannot place annual limits on coverage.
- Must provide coverage to beneficiary's dependent up to age 26 regardless of residence or marital status. *Note*, NJ's mandate is until age 30 so long as the dependent is not eligible for group coverage on his/her own.

Effective October 1, 2011, a new state Medicaid option, Community First Choice (CFC), will require participating states to provide self-directed services statewide in the most integrated setting appropriate to the individual.

After October 2012, one may be able to join and get benefits from a voluntary, enrollment-based insurance program that will be available called the Community Living Assistance Services and Supports (CLASS) Program. It will provide assistance to people who need help with daily activities. Under this voluntary program, one can get cash allowances so they can get care and other supports to help them keep their independence.

Starting January 1, 2014:

- Private insurance plans cannot consider disability and health status when setting premiums; specifically, insurance eligibility rules based on health status.
- Private insurance plans are required to guarantee issue and renewal of policies (that is, must accept every employer and individual who applies).
- State-based health insurance marketplace Exchange is intended to increase choice and foster competition by enabling consumers to compare coverage and premiums.

Also in 2014, most adults under age 65 with incomes up to about \$15,000 per year for single individual (higher income for couples/families with children) will qualify for Medicaid in every state. State Medicaid programs will also be able to offer additional services to help those who need long-term care at home and in the community. Additional expansions to Medicaid will occur in 2013 and 2014.

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Valerie A. Powers Smith, Esq., Of Counsel, Slovak Baron Empey Murphy & Pinkney, LLP, is licensed to practice in New Jersey, New York, Pennsylvania, and California and specializes in the following special needs and disability law subject areas: health care insurance, Medicaid, Medicare, special needs trust, trust administration, estate planning & administration, guardianships, and accessing federal and state government disability-based benefits. Valerie can be contacted at powers@sbemp.com, 609.655.3393 or 760.322.2275.