The Impact of the Affordable Care Act for Cancer Patients: It’s a Game Changer!

...there will be a whole new world for us. Health insurance is concerned...

UNDERSTANDING THE AFFORDABLE HEALTHCARE ACT

Most Americans are covered by Private Insurance, Medicare and Medicaid, and will experience the changes with “Obamacare”. In fact, most Americans are currently experiencing many benefits of “Obamacare” including:

1. Adult Children coverage until age 26
2. Preventive Care including FREE Cervical, & Mammograms.
3. Cannot be cancelled or denied coverage due to pre-existing Conditions.

It is estimated that only 12% of uninsured will refuse to purchase healthcare and a small penalty will be imposed.

States with Highest Uninsured

Where the States Stand: June 14, 2013
26 Governors Support Medicaid Expansion

Learn more about the impact of the Affordable Care Act on a national level at

The Affordable Care Act is causing healthcare premiums to skyrocket.

The Affordable Care Act offers insurance options to people who could not access health insurance before.

The Affordable Care Act will limit what hospital and doctors I can go to.

The Affordable Care Act does not allow patients over 70 to receive expensive treatments including dialysis and chemotherapy.

The Affordable Care Act includes “death panels,” that decide which types of treatment critically ill patients can receive.

The Affordable Care Act includes a mandate the every five years the primary care physician discusses advanced directives with patients.
Quiz Time!

- People on Medicare are forced to buy additional insurance through the Affordable Care Act.
- I am now forced to buy insurance and I'm already broke! The Affordable Care Act will make me go bankrupt!
- The Affordable Care Act will cause small businesses to close.
- Many people have had trouble accessing information about plans available to them through the healthcare.gov website.
- Some people have lost their insurance options through their employer due to the Affordable Care Act.

Answers

- True or False
  - The Affordable Care Act is causing healthcare premiums to sky rocket. **FALSE**
  - The Affordable Care Act offers insurance options to people who could not access health insurance before. **TRUE**
  - The Affordable Care Act will limit what hospital and doctors I can go to. **FALSE --- AND TRUE**

Answers

- The Affordable Care Act does not allow patients over 70 to receive expensive treatments including dialysis and chemotherapy. **FALSE**
- The Affordable Care Act includes “death panels,” that decide which types of treatment critically ill patients can receive. **FALSE**
- The Affordable Care Act includes a mandate the every five years the primary care physician discusses advanced directives with patients. **TRUE**
Answers

- People on Medicare are forced to buy additional insurance through the Affordable Care Act. **FALSE**
- I am now forced to buy insurance and I’m already broke! The Affordable Care Act will make me go bankrupt? **FALSE**
- Many people have had trouble accessing information about plans available to them through the healthcare.gov website **TRUE**
- Some people have lost their insurance options through their employer due to the Affordable Care Act **TRUE** and **FALSE**

What Makes Insurance Different Under the ACA?

- NO PRE-EXISTING CONDITION CLAUSES!
  - Insurance companies cannot deny coverage based on:
    - Pre-existing conditions (physical or mental)
    - Health status
    - Medical history
    - Genetic information
    - Gender
    - Age
  - Insurance companies can only base the cost of your coverage (premium) on:
    - Individual vs. family plan
    - Geographic location
    - Age
    - Tobacco Use

Biggest Impacts of the ACA for Cancer Survivors and Patients

- No rescissions - you can’t lose your coverage except in cases of fraud or misrepresentation of fact
- No lifetime caps on coverage
- No annual caps on coverage
- Free preventive care
- Medicaid expansion (in some states)
## The Individual Mandate

- Most US citizens must carry a minimum health insurance policy
- Penalty? - "Fine" collected through IRS annual taxes
  - 2014-$95 for adults, $47.50 for children, up to $285 per family
  - 2015-$350
  - 2016-$695
  - Or 1% of family income (whichever is greater)

## Exemptions to the Individual Mandate

- Religious objections
- Financial hardship (health insurance coverage would cost more than 8% of income)
- Taxpayers with income <$9750 (single under 65-filing threshold)
- Members of Indian tribes
- Member of health care sharing ministry
- Incarcerated individuals
- Americans living abroad for > 1 year

## Health Insurance Exchanges

- Marketplace for purchasing of plans
- Several different plans will be offered
  - Bronze (60/40), Silver (70/30), Gold (80/20), Platinum (90/10), Catastrophic
  - Maximum deductible $2000 individual/$4000 family
  - Annual (in network) MOOP $6350 individual/$12700 family
  - Priced based on plan coverage
**Health Insurance Exchanges**

- Subsidies available for individuals making less than $44,680
- Opens in 2013 for individuals and businesses with less than 50 employees
- Opens in 2017 for larger employers

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**2014 Healthcare Marketplace Options**

<table>
<thead>
<tr>
<th>Income</th>
<th>Plan Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 400% of Federal Poverty Level</td>
<td>Can buy a policy in the marketplace</td>
</tr>
<tr>
<td>100%-400% of FPL</td>
<td>Can receive subsidy and purchase a policy in the marketplace</td>
</tr>
<tr>
<td>Up to 138% of the FPL</td>
<td>Medicaid (if state elects to expand)</td>
</tr>
</tbody>
</table>

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**What is Covered?**

**Minimum Essential Health Benefits** – EHBs must at least include:
- Ambulatory Patient Services
- ER Services
- Inpatient Hospital Services
- Prescription Drugs
- Mental Healthcare/Substance abuse services
- Maternity and newborn care
- Preventive services
- Pediatric services (incl. oral and vision)

**Actuarial Value**

All individual and small group plans in the exchange must offer Silver and Gold.

- **Catastrophic**: Only for those under 30 years of age
- **Bronze**: 36% of costs covered
- **Silver**: 59% of costs covered
- **Gold**: 64% of costs covered
- **Platinum**: 80% of costs covered

**Out-of-Pocket Limits (OOP)**

Applicable limits — roughly $6,600 for an individual and $12,900 for a family in 2014

- Association of Community Cancer Centers
What Will it Cost Me?

- Premium, Deductible(s), Co-Pay, Co-Insurance
- Out-of-Pocket Cap: The ACA limits annual out-of-pocket (OOP) costs for EHBs
  - Annual OOP limit, self-only coverage: $4,850
  - Annual OOP limit, family coverage: $9,600
  - Will be adjusted annually based on year-over-year changes to premiums
  - Conflicting guidance on separate drug and medical OOP caps
  - OOP limit DOES NOT include premiums

Drug Deductible
- The rule allows plans to have separate deductibles and OOP limits for drugs
- HUGE ISSUE FOR CANCER PATIENTS!!

Non-Network Spending:
- OOP costs for non-network providers will not count toward the OOP limit or any annual limit on a deductible
- Plan will have a strong ability to require patients to adhere to provider networks, even once patients have reached the OOP maximum

What Do Plans Look Like?

Single Person, under 50, in Philadelphia County

<table>
<thead>
<tr>
<th>Plan Name</th>
<th>Drug Deductible</th>
<th>OOP Limit, Self-only Coverage</th>
<th>OOP Limit, Family Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan A</td>
<td>$250.00</td>
<td>$1,500</td>
<td>$3,000</td>
</tr>
<tr>
<td>Plan B</td>
<td>$200.00</td>
<td>$1,250</td>
<td>$2,500</td>
</tr>
<tr>
<td>Plan C</td>
<td>$150.00</td>
<td>$1,000</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

Association of Community Cancer Centers

Single Person, under 50, in Philadelphia County

- Plan will have a strong ability to require patients to adhere to provider networks, even once patients have reached the OOP maximum.
Don’t forget SUBSIDIES!!!

What is the Federal Poverty Level?

Who qualifies for subsidy?

<table>
<thead>
<tr>
<th>Number of people in your household</th>
<th>Income range to qualify for lower costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$11,490 to $44,085</td>
</tr>
<tr>
<td>2</td>
<td>$15,510 to $62,040</td>
</tr>
<tr>
<td>3</td>
<td>$19,530 to $78,120</td>
</tr>
<tr>
<td>4</td>
<td>$23,550 to $94,200</td>
</tr>
<tr>
<td>5</td>
<td>$27,570 to $110,280</td>
</tr>
<tr>
<td>6</td>
<td>$31,590 to $126,360</td>
</tr>
<tr>
<td>7</td>
<td>$35,610 to $142,440</td>
</tr>
<tr>
<td>8</td>
<td>$39,630 to $158,520</td>
</tr>
</tbody>
</table>
My monthly insurance (mid level silver plan) cannot cost more than…

Joan wants to purchase plan through the Affordable Care Act
Her income in disability is $24,000 per year. She lives in Philadelphia, PA. She is not yet eligible for Medicare.
She is single with no dependents
A mid level silver plan, without subsidy, would cost Joan around $2818 per year
Joan is eligible for a subsidy of $1232 (44% of the premium)
Her annual premium after subsidy is $1587 (or $132.25 per month)
If Joan wants to purchase a higher level gold or platinum plan, she is responsible for difference in premium cost and this is NOT subsidized
**What Do I Need to Know When Comparing Plans?**

**What is COVERED?**
- Primary Care
- Specialists
- ER
- Urgent Care
- Hospital Care
- Preventative Screenings
- Imaging (x-rays, CT scans, PET scans, MRI)
- Surgery
- Radiation
- Chemotherapy
- Clinical Trials
- Mental Health
- Substance Abuse
- Physical Therapy
- Home Health Care
- Medical Equipment
- Genetic Testing
- Fertility Preservation
- Transplants
- Preventive Treatments
- Hospice Care
- Home Care

**What is MY PREMIUM?**
- How much do I pay each month?
- How much do I pay each year?
- What is the DEDUCTIBLE?
- What is the DEDUCTIBLE?
- Does the service require a referral or prior authorization?
- Is the provider in-network or out-of-network?
- Are there maximums?
- Are there limits?

**REMEMBER TO REVIEW YOUR TERMINOLOGY!**

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**Where Can I Get More Information About my Options Under the ACA?**

*Image of a website link to the HealthCare.gov platform*

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**Closing Thoughts Benefits of the ACA**

**HEALTH CARE IN AMERICA**
- 2.6 trillion dollars spent annually
- The U.S.A ranks 50th in life expectancy
- 50 million Americans are uninsured

**SINCE THE AFFORDABLE CARE ACT**
- 100 million Americans no longer has an insurance
- 3.1 million young adults have stayed on their parents insurance plan until age 26
- 110 million Americans have obtained a free preventive care
- 80 million Americans are expected to gain insurance coverage
- 17 million Americans with pre-existing conditions will have access to insurance
You can read the ENTIRE affordable care act law, as well as get other information about the programs included in the ACA @ http://www.healthcare.gov/law.


The ACA also mandates the streamlining and simplification of ALL applications for medical insurance coverage. Here is a link to the proposed short form application for health insurance through the exchange program, http://cciio.cms.gov/resources/other/files/AttachmentB_042913.pdf.

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