



Affordable Care Act Impact on Oklahomans Sept. 19, 2012

On June 28, 2012, the U.S. Supreme Court ruled that the Affordable Care Act (ACA) was constitutional. Consequently all provisions in the ACA remain.

The Affordable Care Act is already making a difference for the people of Oklahoma by:

Providing new coverage options for young adults

Health plans are now required to allow parents to keep their children under age 26 without job-based coverage on their family coverage, and thanks to this provision, 3.1 million young people have gained coverage nationwide. As of December 2011, 49,000 young adults in Oklahoma gained insurance coverage as a result of the health care law. For more details on these numbers, visit www.healthcare.gov/news/factsheets/2012/06/young-adults06192012a.html.

Making prescription drugs affordable for seniors

Thanks to the new health care law, 57,161 people with Medicare in Oklahoma received a \$250 rebate to help cover the cost of their prescription drugs when they hit the donut hole in 2010. Since the law was enacted, Oklahoma residents with Medicare have saved a total of \$49,179,753 on their prescription drugs. In the first five months of 2012, 10,595 people with Medicare received a 50 percent discount on their covered brand-name prescription drugs when they hit the donut hole. This discount has resulted in an average savings of \$457 per person, and a total savings of \$4,842,303 in Oklahoma. By 2020, the law will close the donut hole.

Covering preventive services with no deductible or co-pay

In 2011, 420,097 people with Medicare in Oklahoma received free preventive services – such as mammograms and colonoscopies – or a free annual wellness visit with their doctor. And in the first six months of 2012, 204,585 people with Medicare received free preventive services.

Because of the law, 54 million Americans with private health insurance gained preventive service coverage with no cost-sharing, including 616,000 in Oklahoma. But for women especially, it's a new day. Beginning Aug. 1, women in Oklahoma can now get coverage, without cost-sharing, of even more preventive services they need. Approximately 47 million women will now have guaranteed access to additional preventive services without cost-sharing for policies renewing on or after Aug. 1, 2012, including 555,857 in Oklahoma.

Providing better value for your premium dollar through the 80/20 Rule

Under the new health care law, insurance companies must provide consumers greater value by spending generally at least 80 percent of premium dollars on health care and quality improvements instead of overhead, executive salaries or marketing. If they don't, they must provide consumers a rebate or reduce premiums. This

means that 263,404 Oklahoma residents with private insurance coverage will benefit from \$20,296,875 in rebates from insurance companies this summer. These rebates will average \$126 for the 161,000 families in Oklahoma covered by a policy.

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. Oklahoma has received \$19,981 under the new law to help fight unreasonable premium increases.

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, 1,197,000 residents, including 450,000 women and 317,000 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.

Creating new coverage options for individuals with pre-existing conditions

As of April 2012, 731 previously uninsured residents of Oklahoma who were locked out of the coverage system because of a pre-existing condition are now insured through a new Pre-Existing Condition Insurance Plan that was created under the new health reform law.

Preventing illness and promoting health

Since 2010, Oklahoma has received \$13.2 million in grants from the Prevention and Public Health Fund created by the Affordable Care Act. This new fund was created to support effective policies in Oklahoma, its communities, and nationwide so all Americans can lead longer, more productive lives.

Increasing support for community health centers

The Affordable Care Act increases the funding available to community health centers in all 50 states, including the 66 existing community health centers in Oklahoma. Health centers in Oklahoma have received \$32.7 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/or support major construction and renovation projects.

Strengthening partnerships with Oklahoma

The law gives states support for their work to build the health care workforce, crack down on fraud, and support public health. Examples of Affordable Care Act grants to Oklahoma not outlined above include:

- **\$4 million for health professions workforce demonstration projects**, which will help low income individuals receive training and enter health care professions that face shortages.
- **\$400,000 for the expansion of the Physician Assistant Training Program**, a five-year initiative to increase the number of physician assistants in the primary care workforce.
- **\$2.6 million to help Oklahoma reduce health care fraud** by identifying efficient and effective procedures for long-term care facilities to conduct background checks on prospective employees, thereby protecting its residents.
- **\$433,000 for school-based health centers**, to help clinics expand and provide more health care services such as screenings to students.
- **\$260,000 to support outreach to eligible Medicare beneficiaries** about their benefits.

- **\$500,000 to support Aging and Disability Resource Centers (ADRCs).** ADRCs help seniors, people with disabilities, and their families understand and evaluate their long-term care options, including those available in their community.
- **\$191,000 for Family-to-Family Health Information Centers,** organizations run by and for families with children with special health care needs.
- **\$929,000 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.
- **\$14.4 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 kinds of help that can make a real difference in a child's health, development, and ability to learn – such as health care, early education, parenting skills, child abuse prevention, and nutrition.
- **\$1.8 million from the Pregnancy Assistance Fund** to provide pregnant and parenting teens and women with a seamless network of supportive services to help them complete high school or postsecondary degrees and gain access to health care, child care, family housing, and other critical support.

Information provided by HealthCare.gov, July 31, 2012.

The Oklahoma Hospital Association has prepared Fact Sheets on numerous topics related to the ACA of interest to hospitals. The Fact Sheets may be accessed at www.okoha.com/aca.