

Questions & Answers about Health Reform and Diabetes



What is the Patient Protection and Affordable Care Act?

The Patient Protection and Affordable Care Act, or the Affordable Care Act (ACA) as it's more commonly known, is federal health care reform legislation that became law in March 2010. The law includes many new tools in the fight to stop diabetes.

Why was the law needed?

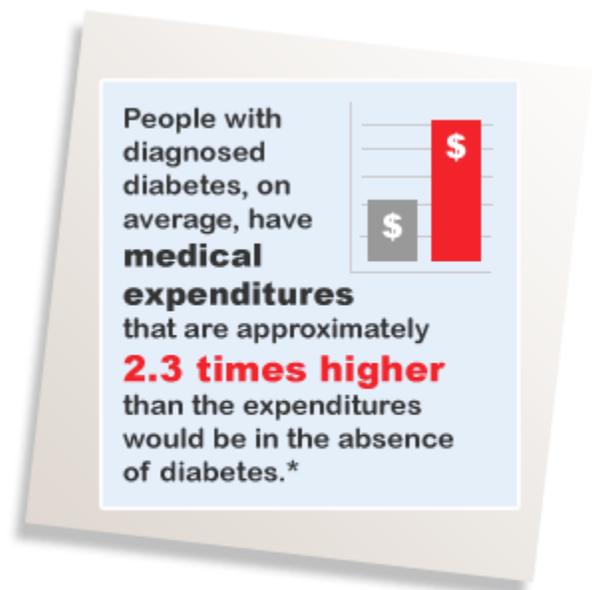
Under the old health care system, it was legal to deny health insurance to people with diabetes or force them to pay more for insurance coverage simply because they had diabetes. Even for people who had insurance coverage, their plans sometimes didn't cover the most basic diabetes needs, leaving them with large expenses in addition to the cost for insurance. This lack of affordable access to care led many people to forgo the care they needed to prevent, delay or slow the progression of diabetes. That meant cutting back on – or even going without – the doctor visits, insulin, medicines and test strips necessary to managing diabetes. As a result, many people ended up suffering needlessly from complications of diabetes that might have been prevented had medical care been available to them earlier. [Read the stories about why health care reform was needed.](http://advocacy.diabetes.org/site/PageServer?pagename=health_care_reform_stories)

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I have diabetes. What does the new law mean for me?

The new law has many important provisions that will impact people with diabetes, including rules about pre-existing conditions, lifetime limits on benefits, drug costs, and programs aimed at preventing type 2 diabetes.

When the law is fully in effect, insurance companies will no longer be allowed to deny coverage because a person has a pre-existing condition such as diabetes. Until then, the law sets up special plans, called the Pre-



*SOURCE: "Economic Costs of Diabetes in the U.S. in 2007," American Diabetes Association.

Existing Condition Insurance Plan (PCIP) for the specific purpose of providing health insurance coverage to people who otherwise could not get insurance under the old rules.

PCIP, which is administered by either your state or the U.S. Department of Health and Human Services, will be available until the provisions banning discrimination based on pre-existing conditions are fully implemented in 2014. (www.pcip.gov) Also, insurers will not be allowed to limit or drop your coverage to avoid paying your diabetes-related medical expenses. You will not be forced to pay more for your health insurance simply because you have diabetes.

What does the new law mean for children with diabetes?

The law prohibits insurers from excluding children under age 19 with diabetes from being covered under their parents' insurance plans simply because of their diabetes. Also, young adults with diabetes – like all young adults – will be able to stay on their parents' insurance plans until age 26.

What does the new law mean for seniors with diabetes?

The law provides new benefits to Medicare participants. Seniors with diabetes who fall into the “donut hole” – the gap in the drug benefit under Medicare – will receive a \$250 rebate in 2010 to help pay the full cost of their medications and premiums, and the donut hole will gradually be closed. In addition, Medicare participants will receive a free wellness visit to identify health risks such as diabetes or diabetes-related complications and to develop a prevention plan. These provisions apply to anyone who is eligible for Medicare, which also includes people who have a disability that prevents them from working.

How does the law affect low and moderate income people?

All adults and children in families with incomes up to 133 percent of the poverty level will be eligible for health insurance through the Medicaid program. Tax credits and other subsidies will be available to those whose income is below 400 percent of the poverty level.

I am self-employed and I have diabetes. Will I be able to purchase affordable insurance under the law?

Yes. Beginning in June 2010, if you are currently without insurance coverage, you will be eligible to apply for coverage through the Pre-Existing Condition Insurance Plan. By 2014, you will be able to purchase insurance coverage from any insurer you wish, and you cannot be denied because of your diabetes, your gender, or your age.

Starting in 2014, if your employer does not offer health insurance or you are self-employed, you will be able to buy insurance directly from plans – called exchanges – that will be available in each state to provide insurance to individuals and small employers with less than 100 employees. The exchanges will be required to provide coverage for essential benefits, and will be an affordable option for people with diabetes shopping for competitive insurance coverage.

Will I have to pay more for my insurance coverage because of my diabetes?

No. Under the new law, insurers will no longer be allowed to charge higher rates because you have diabetes.

Does the new law address prevention of diabetes?

Yes. A program to prevent diabetes, called the National Diabetes Prevention Program, will be established to expand the reach of community-based programs with a proven track record of preventing type 2 diabetes. Also, the law establishes a \$15 billion fund to address wellness and prevention and makes some preventative services free of charge.

When does the new law go into effect?

The law goes into effect in stages, with some provisions going into effect almost immediately and some not going into effect until 2011 and 2014. Some important dates to note:

- July 2010: Pre-Existing Condition Insurance Plans open to people with pre-existing conditions
Medicare rebates begin arriving

Federal government web portal is available
- September 2010: Insurers may not exclude children with diabetes from their parents' health plans
(beginning when the new plan year starts)

Young adults may stay on their parents' health plan until age 26 (beginning when the new plan year starts)

Insurers may not drop or limit your lifetime benefit coverage because of diabetes
(beginning when the new plan year starts)

Insurers will only be allowed to apply annual limits on coverage in accordance with federal standards (beginning when the new plan year starts)
- 2011: Steps towards closing the Medicare "donut hole"
- 2014: Insurers can no longer refuse to sell or renew your policy or charge you a higher rate because of your diabetes.

How do I find information about insurance plans that are available to me?

The law requires that the federal government create a website where individuals and businesses can obtain information about the insurance coverage options that may be available to them in their state. The new Health Care Webportal can be found at www.healthcare.gov.

How do I join the Pre-Existing Condition Insurance Plan?

If you have been continually uninsured for at least six months because of your diabetes, you can apply for insurance through the Pre-Existing Condition Insurance Plan (PCIP). Visit www.pcip.gov or call 1-866-717-5826 to apply.

Is the Pre-Existing Condition Insurance Plan available to me if my state has a high risk pool?

PCIP will be available in every state, but the program may vary depending on the state. Currently, many states run programs, often called “high risk pools,” to offer insurance for those with pre-existing conditions. To build on what states are already doing, states can either run a new program with resources from the Affordable Care Act or rely on the U.S. Department of Health and Human Services to provide coverage.

To learn about how PCIP works in your state, visit <http://www.pcip.gov/StatePlans.html>

What happens next?

It will take some time for all the provisions of the new law to go into effect, and during that time, the federal government will be working out all the details surrounding the implementation of health reform by developing regulations. In the meantime, if you do not currently have health insurance, you should visit the web portal at www.healthcare.gov to examine your options.

What role did the American Diabetes Association play in enacting the new law?

Throughout the health care reform debate, the American Diabetes Association fought hard to ensure that reform benefited the nearly 24 million people with diabetes and the 57 more with prediabetes. We collected stories from people with diabetes who have suffered because they did not have access to affordable health care. We met with legislators to make sure those stories were heard, and we worked with congressional staff to ensure that the smallest of details in the thousand-page bills would protect and not harm people with and at-risk for diabetes. Diabetes advocates from around the country visited with their elected officials to share their stories about how important it was for Congress to end the discrimination that prevented people with diabetes from protecting their health.



Where can I find more information about the new law and about health insurance?

For more information about the new law, see our fact sheet “[Health Care Reform and People with and At-risk for Diabetes](http://main.diabetes.org/site/DocServer/HCR_People_with_Diabetes.pdf?docID=49641)”. (http://main.diabetes.org/site/DocServer/HCR_People_with_Diabetes.pdf?docID=49641) and a September 2010 *Diabetes Forecast* article “[Health Care Reform: What to Expect from the New Law](http://forecast.diabetes.org/health-care-reform)” (<http://forecast.diabetes.org/health-care-reform>)

For background on health reform generally, visit a special section of our website called “[Health Care Reform NOW!](http://advocacy.diabetes.org/site/PageServer?pagename=diabetes_health_care_reform_now)” (http://advocacy.diabetes.org/site/PageServer?pagename=diabetes_health_care_reform_now) or visit HealthCare.gov.

The American Diabetes Association has resources on health insurance that may help answer your questions about the complex web that is health insurance. Visit these links for more information:

- Health Insurance Options
<http://www.diabetes.org/living-with-diabetes/treatment-and-care/health-insurance-options/>
- Separating Myth from Fact: The Truth about Diabetes and Health Care Reform
http://advocacy.diabetes.org/site/PageServer?pagename=diabetes_health_reform_myths_and_facts

Where can I find more information about getting involved with the American Diabetes Association?

For more information about getting involved with advocacy efforts at the American Diabetes Association, visit www.diabetes.org/advocate.