

## Lewiston Tribune, Sunday, Dec. 12, 2010 – Special report (2 pages)

# Health care reform, year by year

### What's been enacted:

- Young people are allowed to stay on their parents' plan until they turn 26 years old.
- Insurance policies can no longer have limits on how much they will pay for medical care over the lifetime of a policy.
- Waiting periods for coverage of pre-existing conditions are eliminated for children younger than 19 years old.
- All new plans must cover certain preventive services such as mammograms and colonoscopies without charging a deductible co-pay, or co-insurance.
- Insurance companies can no longer search for technical mistakes on applications for coverage and use those errors as a reason to deny payment for services. The provision became part of the reform after news stories reported instances where people lost their insurance after being diagnosed with diseases like breast cancer.
- Senior citizens on Medicare are getting more help to pay for their prescriptions.
- Small business tax credits have been put in place to help provide coverage for workers.
- Consumers have a new way to appeal decisions of their insurance company about claims or coverage and an external review process has been established.
- Incentives such as scholarships and loan-repayment programs will be provided to primary care physicians and nurses working in areas with a shortage of providers.

### In 2011

- Medicare 10 percent bonus payments to primary care physicians and general surgeons.
- Medicare beneficiaries will have covered wellness visits and personalized prevention plan service with referrals to programs to help with issues such as nutrition, smoking and physical activity. New health plans will be required to cover preventive services at little or no cost to patients.
- Medicaid plan for the poor goes into effect in October that allows states to offer home- and community-based care for the disabled that might otherwise require institutional care.
- Payments to those with Medicare Advantage, supplementary insurance for Medicare, are frozen at 2010 levels. These payments are to be gradually reduced to bring them more in line with traditional Medicare.
- Individuals will see the dollar value of their health care reported on their W-2 tax forms.
- Annual fee on pharmaceutical companies, according to market share. The fee does not apply to companies with sales of \$5 million or less.

### In 2012

- Medicare physician payment reforms to enhance primary-care services and encourage doctors to form "accountable care organizations" to improve quality and efficiency of care.
- Medicare incentive program is established for acute-care hospitals to improve quality outcomes.

Centers for Medicare and Medicaid Services, which oversee the government programs, begin tracking hospital readmission rates and put in place financial incentives to reduce preventable readmissions.

### In 2013

- Medicare pilot program is established nationally on payment bundling to encourage doctors, hospitals and other care providers to better coordinate patient care.
- Claiming medical expenses on itemized tax returns sees threshold raised to 10 percent from 7.5 percent of income. The threshold remains at 7.5 percent for the elderly through 2016.
- Medicare payroll tax is raised to 2.35 percent from 1.45 percent for individuals earning more than \$200,000 and married couples with incomes of more than \$250,000. The tax is imposed on some investment income for that income group.
- Medical device sales have 2.9 percent excise tax imposed.

### **In 2014**

State health insurance exchanges open where individuals not covered by their employers and small businesses can buy health benefits.

- Insurance coverage required for most people. Individuals not covered by their employer must buy their own coverage or pay a fine.
- Insurance plans are prohibited from refusing to sell coverage or renew policies because of an individual's pre-existing conditions. Also, in the individual and small group market, plans cannot charge higher rates because of gender or health status.
- Small businesses without insurance (50 or more workers) who do not offer coverage face a fine of \$2,000 for each employee if any worker receives subsidized insurance on the exchange. The first 30 employees aren't counted for the fine.

### **In 2015**

- Medicare creates a physician payment program aimed at rewarding quality of care rather than volume of services.

### **In 2018**

- "Cadillac plans" charged an excise tax on employer-provided plans. The first \$27,500 of a family plan and \$10,200 for individual coverage is exempt from the tax. Higher levels are set for plans covering retirees and people in high-risk professions.

*Sources: RegenceBlueShield of Idaho and federal government.*