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HEALTH CARE REFORM & YOU

Have You Figured Out What You Need to Know About the New Law?

STATEWIDE – The new national health care reform law will affect all Americans: those who rely on Medicare, get insurance through an employer, buy it on their own, or are uninsured. It brings a number of benefits to everyone, like coverage for preventative care; and it will stop discriminatory insurance company practices such as dropping someone's coverage because of a pre-existing condition.

“The new health reform law will bring a number of changes, and new benefits, to all of us,” says Deborah Banda, state director of AARP Massachusetts, which represents more than 800,000 members age 50 and older in the Bay State. “Some changes happen this year, while others will be phased in over the next several years.

“By finding out about what's in the new law and when the various provisions go into effect, you can make the best decisions for yourself and your family,” Banda adds.

Have you figured out what you need to know about the national health care reform law? Here is a timeline of when the major changes take place:

This year:

- Those who reach the Medicare prescription drug doughnut hole receive a \$250 rebate.
- Employers that provide retiree health insurance get funding to encourage continued coverage to early retirees.
- Temporary insurance, also known as “high risk pools,” begins covering people who were denied insurance because of a pre-existing condition and have been without insurance for the last six months.
- Young adults, up to age 26, may be able to remain on their family's health insurance plan.
- Individuals with new employer-based or individual insurance plans do not have to pay a deductible or other out-of-pocket cost for certain preventative services.
- Insurance companies cannot drop an individual's coverage if he or she becomes sick.
- Insurance companies cannot place lifetime limits on health coverage; and, some restrictions will be placed on insurance companies' use of arbitrary annual limits.

In 2011:

- Those who reach the Medicare prescription drug doughnut hole receive a 50 percent discount on brand name drugs, and a 7 percent discount on generic drugs.
- Medicare benefits expand to include free coverage for wellness and preventative care.
- It becomes easier to file complaints about the quality of care in a nursing home, and better access to information on nursing home quality and resident rights is available.
- Workers start participating in a voluntary national insurance program to help pay for future long-term care services and supports.

In 2014:

- In every state, exchanges – like the Massachusetts Health Connector – begin offering health insurance coverage with comprehensive benefits.
- Premium subsidies are available for those with limited incomes who purchase health insurance through an exchange.
- Children, parents, and childless adults who do not have Medicare and who have a limited income are able to apply for Medicaid.
- Insurance companies are banned from putting annual limits on health coverage.
- Insurance companies cannot deny anyone health coverage because of a pre-existing condition.
- Spouses of people on Medicaid who receive care services at home get the same protections for income and other resources as spouses of those on Medicaid who live in a nursing home.

In 2020:

- Medicare prescription drug doughnut hole is completely closed.

To learn more – or ask your own questions – please visit AARP’s web page devoted to providing information about the health care reform law: www.aarp.org/getthefacts. To receive a free informational brochure, “How the New Health Care Law Benefits You (D19272),” call AARP Massachusetts toll free at 1-866-448-3621.