



Affordable Care Act: Private Insurance

Historically, cancer patients and survivors have faced many challenges in an effort to find adequate, affordable health care. The barriers can be significant and are a major obstacle to achieving national goals for the reduction in cancer incidence and mortality. The reforms in the Affordable Care Act represent a profound structural change in how private insurance will operate and how consumers and patients will utilize the health insurance system.

Fast Facts

- The American Cancer Society's National Cancer Information Center has received more than 30,000 calls since 2006 from cancer patients and survivors about problems accessing insurance.
- Society research has found that people without coverage are more likely to have cancer detected at a later stage and have lower survival rates.
- American Cancer Society Cancer Action Network (ACS CAN) polling shows that one in three people with cancer under age 65 has been uninsured at some point since their diagnosis.

Cancer patients must have access to meaningful health coverage in the private insurance market.

Changes affecting availability, affordability, adequacy and administrative simplicity to private insurance health plans (*All provisions are effective in 2014 unless otherwise noted*)

Availability:

- Requires plans sold through the health exchanges to be available to all regardless of health status
- Prohibits discrimination based on pre-existing conditions in all plans (*beginning as early as 2010 for children and by 2014 for adults*)
- Guarantees renewal of insurance policies
- Prohibits the use of rescissions except in instances of fraud

Affordability

- Limits insurance premium rating to a ratio of 3:1 based only on age, geographic area and family size; there can be an additional 1.5:1 rating surcharge for tobacco use
- Grants premium subsidies and limits out-of-pocket expenses for individuals and families up to 400% of the federal poverty level (approximately \$88,000 for a family of four)
- Limits out-of-pocket expenses for all plans sold through the exchanges

Adequacy

- Establishes an "essential benefits package" that must be included in all plans sold in the exchanges
- Bans lifetime caps (*Beginning with 2011 plan year*)
- Restricts or bans annual caps (*Beginning with 2011 plan year*)
- Requires coverage of essential prevention services with little or no co-pays

Administrative Simplicity

- Exchanges will categorize plans based on their level of coverage using bronze, silver, gold, and platinum ratings
- Calls for the standardization of forms such as enrollment applications
- Simplifies administrative processes such as appeals

- Information will be more readily accessible to consumers through a newly established internet portal (*Beginning 2010*)

Implications for the American Cancer Society and ACS CAN

- Under the Affordable Care Act, having a serious disease will no longer be a threat to affordable, quality coverage.
- ACS CAN can have a significant impact at the federal and state levels through comments that will urge regulators to implement the law in a way that ultimately benefits cancer patients and survivors.
- ACS CAN will continue to work to strengthen the new law and to improve access to quality care, especially since several of the insurance provisions will not take effect until 2014.