

Health Law and Policy Update:

June 15, 2012

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Headlines of the Week

Health plans say they'll continue some Affordable Care Act benefits whatever Supreme Court decides, but leave out significant reforms

This week, [UnitedHealthcare](#), [Humana, Inc.](#), and Aetna, Inc. announced that they will not drop some popular insurance reforms already in place as a result of the Affordable Care Act, even if the Supreme Court strikes down the law.

UnitedHealthcare and Humana said they intend to continue to offer preventive health care services without copayments, cover dependent children up to age 26, and eliminate lifetime coverage limits. They also will not engage in rescissions of health coverage, except in cases of fraud or intentional misrepresentation of material facts and will offer the appeals process required under the ACA, which requires a clear and simple process for appeals claims decisions and the option to have cases reviewed by independent review organizations.

Aetna said that it intends to continue covering dependents to age 26, offer one hundred percent coverage of certain preventive care, and provide access to appeals through independent third parties. The Blue Cross Blue Shield Association is also [encouraging](#) its member companies to ensure the greatest coverage possible at an affordable price.

Bloomberg press covered the [announcement](#). David Windley, a senior health care analyst for investment bank Jeffries & Co, Inc. stated that "it's become fairly well known that certain portions of the law are pretty popular." He said, "United is saying things like coverage [of young adults up to age 26] is not that onerous, and turned

out to be not as much of a drag on profitability as many people in the industry and in the market were expecting it to be."

Timothy Jost, a consumer representative to the National Association of Insurance Commissioners, told Bloomberg that many insurers had begun young-adult coverage and abolished rescissions before regulations requiring them took effect, and that most insurers are subject to regulations governing internal and external appeals under state laws. "One of the things this demonstrates is that these reforms aren't breaking the bank," Jost said. "They are affordable and they are good business practices," he said. "I'm very pleased that they're doing this. I hope others will follow suit."

Health Care for American Now's assessment was more blunt: "[Don't be fooled by the big insurance companies](#)" is the title of their blog article responding to the announcements. "This didn't happen out of the goodness of the insurers' hearts. This isn't about corporations doing the right thing. And it didn't happen now, just a few weeks before the Supreme Court announces its ruling, by coincidence. This is a PR offensive."

None of the plans said that they will offer insurance on a guaranteed basis or cover children or adults with pre-existing conditions. The requirement to cover children with pre-existing conditions took effect in September 2010, and is one of the pieces of the Affordable Care Act that resonates most with the public. UnitedHealthcare said that while it "recognizes the value of coverage for children up to age 19 with pre-existing conditions,...one company acting alone cannot take that step, so UnitedHealthcare is committed to working with all other participants in the health care system to sustain that coverage." Other provisions of the Act not mentioned are elimination of annual limits on coverage and Medical Loss Ratio limits, which are designed to insure that health plans spend a certain percentage of premium dollars on medical care.

Advancing the Debate

Counting down to the Supreme Court decision

The Supreme Court is expected to issue its ruling on the Affordable Care Act (ACA),

commonly known as Obamacare, within the next two weeks. While it is difficult to know for sure on which date the Court will issue its decision on the ACA, the dates the Court currently has scheduled to release decisions are, Monday, June 18th, Thursday, June 21st and Monday, June 25th. However, the Court still has 14 decisions to release before the end of its term and there is some speculation that they will add Wednesday, June 27th or Thursday, June 28th to the list of "decision days." The decision should be issued by 10AM EST and posted to the Supreme Court's [website](#) by 10:15AM. [SCOTUSblog](#) will also be providing coverage of the decision.

There is a great deal of conjecture about the various possible outcomes, which include upholding the entire law, overturning the entire law, deferring a final decision until a later time, or overturning only certain pieces of the law. ACA was a bold move toward assuring that we all have the security of knowing we have access to affordable and quality health care when needed. While the majority of the law, if upheld, will take effect on January 1, 2014, many provisions of the law that took effect in the first two years have already helped over 2 million Coloradans and many millions more around the country. For example,

- Under Obamacare, **291,000 children in Colorado with pre-existing conditions** can never be denied coverage.
- In 2011 alone, **39,000 Colorado Medicare recipients saved over \$22 million** on their prescriptions.
- **Rural and medically underserved areas of Colorado have received \$53.9 million** to expand and serve more patients.
- Nearly **1,200 previously uninsured Coloradans with pre-existing conditions** were finally able to enter the system and get the healthcare they needed.
- In 2011, **382,000 Coloradans on Medicare received a free preventive service** visit to the doctor.

Coverage of the upcoming PPACA decision this week has been provided by [The Washington Examiner](#), [The New York Times](#), [The Associated Press](#), and [The Christian Science Monitor](#).

The New York Times introduced an [interactive feature](#), which lays out the issues in front of the Supreme Court as they address the Patient Protection and Affordable Care Act (PPACA). The feature demonstrates a number of potential outcomes, based on how the court decides on each issue in question. The Times also addresses how each of these possible rulings will alter the law as a whole and how they will affect the millions of Americans who benefit from health reform.

Colorado Health Benefit Exchange (COHBE) update

The COHBE board met Monday of this week and took action to adopt processes and policies related to protecting against fraud, waste and abuse, consultant procurement, and certification of exemption from the individual mandate. The board determined no policy is needed at this time for the billing process because the board had already taken up and made decisions on premium aggregation. COHBE decided to use the federal government's service for certifying a person's exemption from the individual mandate and will re-examine using the federal service once there is a clearer understanding of costs and volume. Finally, the COHBE board introduced several processes and policies that will be considered by the various advisory groups and board subcommittees in the coming weeks. A full list of pending policy decisions, which include the appeals process, certification of plans, and role and compensation of navigators, is available on the [COHBE website](#).

What's New

CCLP releases fact sheet on ACC Program

The state's Accountable Care Collaborative (ACC) Program could help contain costs and improve the services Medicaid recipients receive. Without careful implementation, though, the ACC Program risks creating new barriers to care, especially for Colorado's poorest and most vulnerable Medicaid participants.

CCLP has condensed our issue brief on Colorado's Accountable Care Collaborative (ACC) initiative into a two page [fact sheet](#). We hope that this fact sheet is a useful tool in your work around the Medicaid program.

The fact sheet can be found on CCLP's [website](#).