



The Patients' Bill of Rights

Ensuring coverage for consumers with pre-existing conditions

The Patient Protection and Affordable Care Act (Affordable Care Act) offers you several new protections that are known as the "Patients' Bill of Rights." This fact sheet explains how the Patients' Bill of Rights gives consumers with pre-existing conditions protection against denial of coverage.

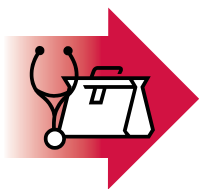
An Overview of the New Protections

Under the Affordable Care Act, if you have a pre-existing condition, insurance companies will no longer be allowed to deny you coverage based on that condition. For children under the age of 19, this protection will be phased in beginning on September 23, 2010.¹ For adults aged 19 and older, it will be phased in beginning on January 1, 2014.² Insurers will have to accept everyone who wants to purchase a plan, regardless of their health status. In addition, health plans won't be able to exclude coverage of pre-existing conditions from their policies. This means that health plans can't refuse to cover your treatment solely because you already had a health condition when you joined the plan.

Your insurance company can still deny you coverage of a particular treatment if your plan does not offer coverage of that specific treatment to *anybody* enrolled in the plan. For example, some health plans do not cover particular prescription drugs. If your child's pediatrician recommends a particular drug to treat his ongoing condition, regardless of whether your child was enrolled in the health plan after his diagnosis or enrolled in the plan at birth, your plan would not cover treatment with this drug because coverage for the drug is not offered to any plan enrollee.

This new protection will apply to everyone who gets coverage through work and to everyone who buys an individual or family plan after March 23, 2010. This new protection may not apply to those who stay in individual insurance plans that they bought before March 23, 2010, unless that plan has made major changes in its coverage or substantially increased cost-sharing or deductibles. (For more information, see the Families USA fact sheet, *Grandfathered Plans under the Patient Protection and Affordable Care Act*, available online at <http://www.familiesusa.org/assets/pdfs/health-reform/Grandfathered-Plans.pdf>.)

The following two examples help explain how this new protection works and when it goes into effect.



Mr. and Mrs. Wilson purchase a new family insurance plan in October 2010 and enroll themselves and their two children, three-year-old Emma and eight-year-old Bob, in the plan. Emma has diabetes. Because the Wilsons have purchased a new plan, their family is protected under the new law. The plan is not allowed to exclude coverage of Emma's pre-existing condition; therefore, Emma will receive treatment for her diabetes as soon as their coverage begins.



Mrs. Y will begin a new job on November 1, 2010, and she will enroll herself and her 12-year-old daughter, Alice, in Sunny Insurance, the health insurance plan provided by her employer. Alice has severe allergies. In the past, Sunny Insurance had a pre-existing condition exclusion of 12 months that would have applied to coverage of Alice's allergy treatments. That means that, although her plan would have covered other care immediately, Alice would have had to wait a full year before it would cover treatment for her allergies.

Because of the new health reform law, this will change. Since Alice is in a plan that she gets through her mother's job, she will be protected under the new law as soon as the protection phases in. In this case, the protection will begin when her mother's employer renews its annual contract with the health plan. The employer's plan is renewed each year in January, and for Alice, this is when the new protection will begin. When the new plan year begins on January 1, 2011, Alice will receive coverage for her allergy treatments. However, from November 1, 2010, until January 1, 2011, the plan is still permitted to exclude coverage for treatment of her allergies.

Enrolling Children with Pre-Existing Conditions

For plan years beginning on or after September 23, 2010, insurers will have to cover *all children who apply for a plan*, regardless of their health status. However, insurance plans are not required to have new plans available for purchase year-round. Plans may choose to have "open enrollment periods" (that is, periods when they will take new applicants) for a month before the plan year starts again, for a few months in a row, or at several different times a year. Federal law permits limited open enrollment, but you should check with your state insurance department to see whether there are any state requirements about when plans have to take new applicants. While insurance companies in the individual market are not required to have a certain number of open enrollment periods for children, plans will be monitored to ensure that they are not deliberately limiting enrollment of children.

Conclusion

The new health reform law guarantees that all individuals who apply for coverage will be sold a policy regardless of health status, and it eliminates pre-existing condition exclusions in health plans. Instituting these protections for children marks a huge step forward for ensuring that all consumers get the comprehensive health care they need.

¹ The prohibition of pre-existing condition exclusions for children will go into effect at different times for different plans. This is because plan years begin at different times, and this prohibition will take effect at the start of the new plan year. For example, if your plan year begins in October, your child will receive care for his or her pre-existing condition beginning in October 2010. If your plan year begins in January, your child will receive care for his or her pre-existing condition beginning in January 2011.

² In addition, health plans will not be able to charge consumers higher premiums due to a pre-existing condition. This protection will also be phased in beginning on January 1, 2014. The regulations on this protection are yet to be released.