



of Wisconsin Disability Organizations

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The Affordable Care Act in Wisconsin What Does It Mean for People with Disabilities?

The Patient Protection and Affordable Care Act (ACA) was passed in 2010 and includes many items that impact individuals and families with disabilities. The ACA was upheld as constitutional by the U.S. Supreme Court in June 2012.

States are expected to move forward with plans to implement the law and provide the necessary coverage and protections.

The ACA has many parts. The law was designed to implement different parts in stages from 2010 to 2014. Governor Walker, his Administration, and the Legislature will make many decisions about the state government's role in fulfilling the ACA.

This question and answer (Q & A) document has information about the status and impact of the law as it is currently written and implemented. Updates will be added as decisions are made and information becomes available. Stay tuned for updates.

Private Insurance:

1. Is it true that children and people with disabilities with chronic conditions cannot be denied private insurance?

[Yes. The ACA currently prevents insurance companies from denying coverage to children under age 19 due to a pre-existing condition. Adults with disabilities will also gain this protection on January 1, 2014.](#)

2. Will private insurance companies be able to charge higher rates because of a chronic condition or disability?

[No. In 2014, every person getting the same amount of coverage from the same insurance company in the same geographic area will pay the same premium, regardless of health or disability status. There are two exceptions to this rule: premiums can differ depending on age and tobacco use.](#)

3. Our family members are healthy and do not have disabilities. If one of us does experience health problems or disabilities while on our current policy, can we be dropped?

No. Insurance companies can no longer drop people from their policies because they get sick or acquire disabilities. They also cannot drop coverage because of a mistake on applications or paperwork.

4. Can insurance companies deny coverage because of lifetime or annual dollar limits?

Beginning in 2014, it will be illegal for plans to impose annual dollar limits on the amount of coverage an individual may receive. Until then, annual limits are being phased out. For example, a family with a child with a chronic disease cannot lose their health insurance after receiving a certain amount of treatment.

5. Do insurance policies now have to cover certain services without deductibles or co-payments?

Yes. Policies must cover the full costs of preventive services, including screenings for cancers, blood pressure, cholesterol, depression, obesity, and other required services, such as well woman visits and prenatal care.

6. Is it true that adult children can now remain on my private insurance policy?

Yes. Insurance policies nationwide must now extend coverage to children and young adults on their parents' policies until age 26, unless the adult child can obtain insurance from his/her own employer. Wisconsin already has this benefit.

7. Is it true that everyone will have to have some kind of health care coverage?

Yes. By 2014, individuals and family members must have health insurance coverage or pay a penalty for being uninsured. The coverage could be provided by Medicare, Medicaid, employer-provided private health insurance, or other private health insurance plans. People who can't afford the premiums and meet income eligibility requirements will receive subsidies to help pay for the coverage, if purchasing insurance as an individual.

People who decide not to obtain coverage will be taxed a "shared responsibility payment" based on household income, beginning in 2014. The payments in 2014 will be \$95/adult/year or 1% of a person's household income – whatever is greater. The payments will rise in 2016 to \$695/adult/year or 2.5% of household income – whatever is greater. Employers will also have shared responsibility penalties if they choose not to provide insurance to employees.

8. I have heard a lot about health care exchanges. What are exchanges?

Health Care Exchanges are set to be in place by January 2014 and are intended to offer a single place where individuals and families can enroll in qualified health insurance plans. An Exchange is a marketplace where people will be able to shop for health insurance and obtain help paying for the insurance if their household income is below 400% of the poverty level, or \$92,000 for a family of 4 in 2012. People will be able to get information about the Exchange and various plans on the web, over the phone, or in person with the help of a navigator.

Plans offered through the exchange must offer a comprehensive package of “essential health benefits.” The benefit package must be approved by the U.S. Department of Health and Human Services and include benefits in major categories of health services.

In addition, Exchanges are required to provide assistance to individuals and employers seeking insurance by offering:

- A toll-free hotline to provide assistance;
- A “Navigator” program to help with enrollment and refer questions and complaints to the appropriate agencies;
- Website comparing qualified health plans;
- Uniformed ratings of each qualified health plan on the basis of relative quality and price; and
- Plan options determined to be platinum, gold, silver, bronze, and catastrophic for young adults in a standard format.

An Exchange will be established in Wisconsin. States have the option to establish and operate it, partner with the federal government, or have the federal government run it. As of October 2012, Wisconsin had returned federal planning funds and had not publicly decided its role in operating the Exchange.

9. What sort of benefits will be required in health insurance plans?

The law requires plans to include 10 categories of what are called “essential health benefits.” The categories of essential health benefits are:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management

- Pediatric services, including oral and vision care

While many insurance plans in Wisconsin already include most of the items on this list, disability advocates are particularly interested in how Wisconsin will define certain categories. Specifically “habilitative services” will be a new category of benefit in insurance plans that could be helpful to many people with disabilities. Wisconsin will continue work to define these items in the coming months.

10. Will mental health and substance abuse services change?

Yes. Coverage for these services will increase. Mental health and substance abuse services are listed as essential health benefits for Medicaid/BadgerCare, and individual and small group plans offered inside and outside of the Health Care Exchange. These benefits must be on par with benefits for other health problems.

Medicaid Coverage:

In Wisconsin, Medicaid goes by many names and programs. Medicaid includes Medical Assistance and BadgerCare. The Katie Beckett Program is a means for children with disabilities to access Medicaid. The ACA encourages states to expand Medicaid to certain populations and includes some protections to keep Medicaid coverage and benefits at current levels.

11. If my child or I am covered because of a disability, will Medicaid coverage stay the same?

Yes. The ACA does not have an impact on children or adults covered by Medicaid because of a disability. Services and benefits will continue in the same manner unless the state makes changes that requires public input and federal approval. Additionally, the law includes provisions called “Maintenance of Effort” that ensure changes to eligibility for all children on BadgerCare are not made before 2019, to ensure stability of coverage while the law is being implemented.

12. My child receives Medicaid coverage through the Katie Beckett Program. Will Katie Beckett still be available?

Yes. The ACA does not have any impact on the Katie Beckett Program.

13. What about Supplemental Security Income (SSI) and Medicaid? Will the SSI benefits or Medicaid eligibility remain the same?

Yes. The ACA does not have any impact on SSI. Individuals will continue to receive the same benefits and Medicaid coverage.

14. Will Medicaid community-based, long-term care services for children and adults still be the same?

Yes. The ACA has language that encourages states to expand the number of people served in the community rather than in institutions. In Wisconsin, Family Care, IRIS, Family Care Partnership, PACE, Children's Long-Term Support, and the Community Integration and Community Options Programs are community-based, long-term care services that will continue. Again, states can only make changes to these Medicaid-funded programs after they received public input and receive federal approval. Wisconsin has not suggested any changes to these programs.

15. Will there be any changes to BadgerCare?

Maybe. Under the ACA, states can use additional federal Medicaid funds to expand Medicaid coverage to uninsured low-income individuals without children, beginning in 2014. Wisconsin state government has not publicly decided whether to accept the funds.

The Affordable Care Act limits the authority of states to reduce eligibility, especially for children, but Wisconsin would continue to have the option of lowering the BadgerCare income ceiling for adults without children to 138% of the federal poverty level (instead of the current 200 %). 200% of the federal poverty level is \$46,100 for a family of four in 2012. Adults who lose BadgerCare coverage from such a change would be eligible to get subsidized coverage through the new exchanges.

Medicare:

16. Does the ACA make changes to the benefits covered by the Medicare program?

Yes. Yearly wellness visits and preventative services and screenings are free without Medicare Part B deductibles or co-payments. Tobacco cessation counseling is now considered a covered preventive service, whether or not a person has been diagnosed with an illness caused or complicated by tobacco use.

17. Will my prescription drug costs or co-pays change under Medicare Part D?

Yes. The coverage gap known as the "Donut Hole" will gradually close by 2020. If you reach the coverage gap you can now get a 50% discount on covered brand name and 14% discount on generic drugs. The amount of the discounts will increase each year until 2020.