

# Health Reform Works:

## How the Affordable Care Act is Already Making a Difference for New Yorkers



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Health Care For All New York (HCFANY) is a statewide coalition of over 120 organizations dedicated to making quality, affordable health insurance available to all New Yorkers. Together, we advocate and educate around the state on important health reform issues and policies that affect New Yorkers. [www.hcfany.org](http://www.hcfany.org)

# Introduction

## Health care costs are squeezing working families.

In recent years, the average health plan premium in New York has grown by 92 percent, while median earnings have risen by only 14 percent.<sup>1</sup> It now costs the average family in New York more than \$24,000 a year in health care premiums to buy insurance on their own in the open market, and many families are forced to make the difficult choice between filling their gas tank and filling a prescription.

Small businesses too are struggling under the exorbitant cost of health insurance. Small businesses are the engine of new job growth in New York and need access to affordable, high-quality health insurance in order to attract and retain employees. Yet, these costs are crushing their bottom line and reducing their ability to thrive in an already unstable economic environment. This is bad for small businesses and bad for New York.

## Health Reform seeks to reverse this trend and make health care affordable again.

By creating new options for health coverage and building on existing sources of public and private health coverage, the Affordable Care Act (ACA) will give most families an opportunity to access affordable and comprehensive coverage. The law includes stronger consumer protections, stricter insurance regulations, and new purchasing options that are now coming into play to expand the availability of quality health insurance.

Starting in 2014, people will be able to compare plans and purchase insurance on their own through state-based Health Insurance Exchanges. Federal subsidies will enable those with middle incomes to afford better-quality health plans for themselves and their families. The exchange will also serve to level the playing field for small businesses by providing a way for them to get quality health coverage for their workers at a lower cost. If implemented as planned, the ACA could reduce the number of uninsured Americans by 32 million over the next 10 years.<sup>2</sup>

## Important provisions of Health Reform have already taken effect.

These changes may not be noticeable yet to those who currently have good health insurance. But for the millions who do not, or who struggle to pay for the cost of their care, the past several months have brought many welcome changes. The health reform law is scheduled to be phased in over time, starting immediately after it was signed on March 23, 2010. Nearly two years after the new law took effect—and well before its full implementation is complete—millions of Americans are already experiencing its benefits.

- In New York and elsewhere, young adults are now able to remain as dependents on their parents' insurance plans until age 26.
- Seniors with Medicare who have hit the Part D “donut hole” are getting help paying for their prescription drugs, and no longer have to worry about paying co-pays for certain preventive services.
- Small businesses can now get some relief from employee health care costs with the help of new tax credits.
- People with medical conditions now have a new option for health insurance coverage, the Pre-existing Condition Insurance Plan (i.e. New York Bridge Plan).
- The establishment of new statewide consumer assistance programs means that people everywhere now have a place to turn to for help with their health insurance questions, problems, and needs.

## Health Reform is working.

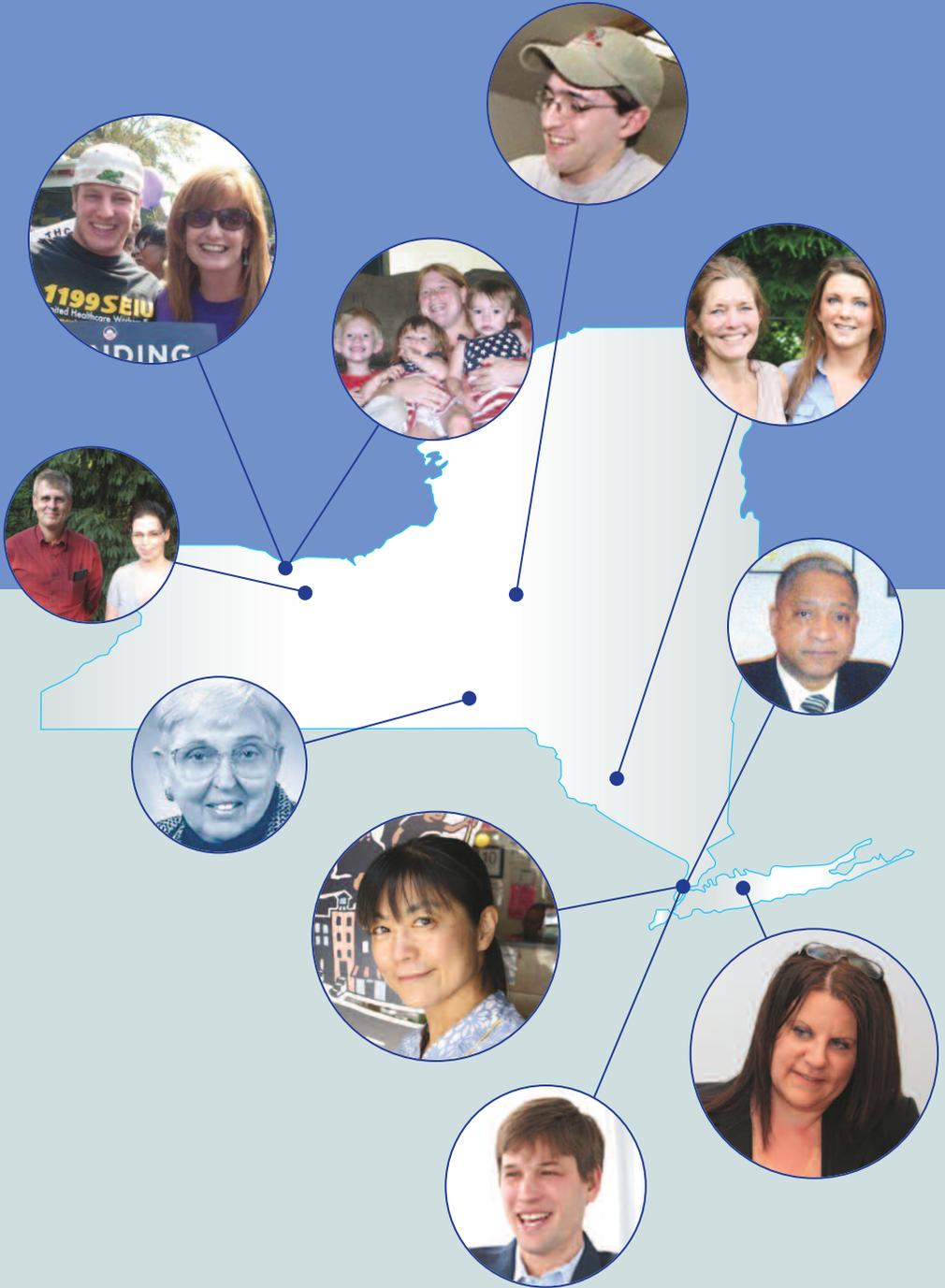
This booklet is a collection of firsthand accounts from a handful of the many New Yorkers who have already been helped by the ACA. It is not intended to encompass every way in which the ACA has provided benefits; rather, it is meant to offer a glimpse into the impact that the new law has already made in the lives of so many Americans. Through these stories, we hope to show how even small changes to our health insurance system can vastly improve the lives of those dependent upon it.

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<sup>1</sup> Families USA, “Costly Coverage: Premiums Outpace Paychecks in New York,” September 2009. Available at: <http://familiesusa2.org/assets/pdfs/costly-coverage/new-york.pdf>

<sup>2</sup> Congressional Budget Office, Letter to the Honorable Nancy Pelosi, March 20, 2010. Available at: <http://www.cbo.gov/ftpdocs/113xx/doc11379/AmendReconProp.pdf>

# The ACA Today: Stories From Around the State



## **It's Working Now: New Yorkers with Pre-existing Medical Conditions**

Every day, many Americans are denied coverage by private health insurance companies due to a pre-existing medical condition. In New York, while insurance companies cannot deny coverage outright, waiting periods of up to a year for coverage of pre-existing conditions are common. One of the immediate changes that went into effect from the health reform law was to ban denials of care or waiting periods for children with pre-existing conditions. The ACA contains the same type of provision for adults, though this change will not go into effect until 2014.

To cover this gap for adults, the ACA created the new Pre-Existing Condition Insurance Plan (PCIP) program to make health insurance available to adults who have been denied coverage due to a pre-existing condition (or who are subject to a waiting period for coverage) and who have been without insurance coverage for at least 6 months. In New York, this program is called the New York Bridge Plan because it will act as a bridge until coverage is available on the forthcoming health insurance exchange.

Since its establishment, over 41,000 people have enrolled in PCIPs nationwide, including over 2,300 in New York's Bridge Plan.<sup>3</sup>

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## **One Less Worry for Parents**

### **The Schley Family, Circleville**

In the fall of 2010, Megan Schley got sick. Megan had recently graduated from college and was in the process of launching her own small business. Fearing cancer, her doctors ordered many expensive tests. Megan did not have health insurance at the time, and her family was forced to pay more than \$6,000 out-of-pocket. In November, she was diagnosed with Crohn's disease. Her mother, Pat, worried about her condition and struggled to keep up with the bills.

“We laid out a lot of money. It was getting to the point where it’s like a mortgage payment. And, you don’t want to put yourself in the hot seat, but when your child is sick, what else are you going to do?”



The family learned that, because of the Affordable Care Act, Megan would be able to enroll in her father’s health plan starting in January. But, she needed immediate treatment. The injections she needed cost \$800 each, and if Megan could not get insurance until January, the family would have to pay an additional \$4,800 on their own in December.

Then, Megan’s father saw an ad in the paper for the New York Bridge Plan—the Pre-Existing Condition Insurance Plan established under the ACA—which could cover Megan until her coverage under her father’s plan kicked in in January. Megan quickly applied and was able to get her coverage to start on December 1st.

Megan has now transferred to coverage under her father’s insurance plan and is back on track to starting her own business. Pat no longer loses sleep over the thought of having to refinance the house to pay for her daughter’s care.

“It’s a relief to know that she can go to the doctor and get the care she needs, and I don’t have to worry about how the heck I’m going to pay for it next month.”

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<sup>3</sup> *Healthcare.gov, “State by State Enrollment in the Pre-Existing Condition Insurance Plans as of October 31, 2011.” Available at: <http://www.healthcare.gov/news/factsheets/2011/12/pciip12092011a.html>*

## It's Working Now: New York's Small Businesses

Beginning in 2010, the ACA allows for tax credits of up to 35 percent for small businesses who provide health insurance to their employees. Last year, more than 4 million small businesses in America were eligible to receive these credits—including 285,000 in New York.<sup>4</sup> These credits are claimable until 2016, but unused credits can be carried over for up to 20 years. In 2014 the maximum credit will go up to 50 percent of the employer's contribution towards employee health insurance costs.

### A better deal for businesses—and employees

#### Matt Grove, Utica

In 2005, Matt Grove and his wife Annie took over the family business, a longtime bagelry in upstate New York called the Bagel Grove. The company, which Matt's father opened in 1988, had always provided a health insurance policy to its employees. When Matt took over Bagel Grove, he decided to add a high-deductible plan as a second choice to his staff, despite the fact that costs were rising astronomically. However, the exorbitant rates cut into their bottom line and forced Matt and Annie to cut back on the plans they offered.

Before passage of the Affordable Care Act, the Groves wanted to cover more of the premium cost for their staff, but the rapidly increasing rates tied their hands.

Then health care reform passed.

Matt carefully studied the ACA's effect on small business owners and learned about the health care tax credits. He qualified for the full credit of 35 percent and



used the extra savings to increase the percentage of the premiums the business covers, from 50 percent to 65 percent. That's essentially money in his employees' pockets.

Matt believes offering health benefits is not only the right thing to do, but helps him retain and attract good employees—employee turnover costs the business money and creates headaches. The Affordable Care Act has made providing health insurance easier to accomplish, and Matt is also confident that future tax credits will enhance his ability to afford coverage.

“In the long run, I am hopeful that health care reform will create a culture that allows for basic coverage,” Matt said. “The tax credit is going up to 50 percent in 2014, and by the time that kicks in, we will pick up a higher percentage of premium costs.”

## Maintaining a happy, and healthy, workforce

**Greg Hankins,  
New York City**



When entrepreneurs need advice on employee retirement packages, they turn to Greg Hankins. He owns Retirement Aspirations—a retirement consulting firm in New York—and along with his staff, provides in-depth presentations on options for 401k benefits, pensions, and tax credits.

Greg knows small business owners want to do right by their employees and offer benefits, because he hears just that from them every day. But it's a personal issue, as well. Greg is in the process of trying to provide insurance for his five employees.

He's searching for an insurance policy where he can cover 80 percent of the premium cost and the employee covers the remaining 20 percent, but has found that this is easier said than done. Prices are high and choices are limited.

Still, Greg is determined to make it happen. He believes a happy workforce results in a healthy bottom line. "By offering health insurance to my employees, it will show that as a business owner I care for them, and in return they'll be more dedicated to the business."

Greg believes the Affordable Care Act will make health insurance more accessible and affordable. Along with the tax credits he's excited about qualifying for once he starts offering coverage, Greg hopes that once the exchanges take effect in 2014, his range of plan options will grow.

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<sup>4</sup> Families USA, "Helping Hand for Small Businesses: Health Insurance Tax Credits," July 2010. Available at: <http://www.familiesusa.org/assets/pdfs/health-reform/Helping-Small-Businesses.pdf>

## **It's Working Now: Senior New Yorkers**

Under the ACA, the Medicare Part D coverage gap—or "donut hole"—is scheduled to be phased out over 10 years. This process began in 2010 with a \$250 rebate check mailed to those who had hit the donut hole. According to the Centers for Medicaid and Medicare Services (CMS), nearly 4 million seniors received rebate checks last year to help them pay for the cost of their prescription drugs.<sup>5</sup> In 2011, seniors who hit the donut hole are eligible for a 50 percent discount on covered brand-name drugs, and a 7 percent discount on generics. CMS estimates that nationwide 271,000 seniors have already benefited from this discount, for a total savings of \$166 million.<sup>6</sup> In New York, more than 19,000 seniors have already benefited, with an average savings of \$636.<sup>7</sup> What's more, seniors with Medicare no longer have to pay co-pays or deductibles for many preventative services.

# Relief from the high cost of prescriptions

## Patricia Curry-Wilson, Binghamton

Pat is a retired Nurse Practitioner from Binghamton who has been on Medicare since 2009. In the fall of 2010, Pat hit the Medicare prescription drug coverage gap—otherwise known as the “donut hole,” leaving her with hundreds of dollars worth of medications to pay for.

The retail cost of her medications was well out of her price range, but Pat could not risk going without them. She knew what this could entail because, as a former Nurse Practitioner, she had seen many of her patients go through the same thing.

“I remember one patient going without medications. Sometimes he would eat and go without medications; other times he would go with the medications and not eat.”

When Pat was working, she would often provide her patients with money for food so that they could afford their medication. Pat did not have this option for herself, but with her experience in the medical field she knew that her doctor might be able to give her free samples of her medications. But, the samples did not fulfill all of her medication needs. In the end, Pat still had to pay more than \$300 out of her fixed income for her medicines.

Then, in February, she received the \$250 rebate check allotted to her under the Affordable Care Act to help pay for the cost of her prescription drugs in the donut hole. Pat was able to use that money towards her daily expenses, which she was struggling to keep up with due to her medication costs.

“That eased the burden, you’re darned right.”

This year, Pat is more than happy to receive the discounts for her drugs and looks forward to getting her preventative testing done without having to pay co-pays, along with her coverage gap assistance through New York State’s Elderly Pharmaceutical Insurance Coverage (EPIC) program.



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<sup>5</sup> Centers for Medicare and Medicaid Services “Seniors in the Donut Hole Have Already Saved \$166 Million on Prescription Drugs,” *Healthcare.gov*, May 24, 2011. Available at: <http://www.healthcare.gov/news/factsheets/donuthole05242011a.html>

<sup>6</sup> *Ibid.*

<sup>7</sup> *Supra* n.2

## It's Working Now: Young New Yorkers

Prior to the ACA, most young adults would have been dropped from their parents' coverage once they turned 18 or 21, or graduated from college. Under the new law, young adults can now stay on their parents' health plans until the age of 26—even if they live away from home, are married, and are not dependents for tax purposes.<sup>8</sup> Since the change went into effect in September of 2010, more than 2.5 million young adults have signed up for coverage.<sup>9</sup>

### Coverage without the hassles

#### The Soeth Family, Pittsford

For the Soeth family, fighting with insurance companies had become a way of life. Their oldest daughter, Pam, has suffered from epilepsy since childhood. She had always been covered under her mom's plan, even when she went away to college. But, after her seizures became too frequent, she was forced to leave school. That's when the insurance problems began.

Mark, Pam's father, recalls, "As soon as she came out of college, we had to start fighting with the insurance company. They would say, 'well, she is over 18 so she is no longer on our insurance,' because she is a costly enrollee—Epilepsy medicines are very expensive... ambulances cost money...hospitals cost money."

For four years the family struggled to keep Pam from being dropped by the insurance company—which happened often and without notice. Every time this happened, they would have to repeatedly send in medical records to prove their daughter's disability in order to get her coverage reinstated.

"We would try and get medicine and we would find out she no longer had insurance. Then we would have to fight with them [to get her coverage back]. This would take 30 to 60 days. During that time we prayed that she didn't have a seizure. And we paid for her medicine."

At \$1,300 per month, Pam's medicine was breaking the family budget.

When the new health care reform law was passed, Mark heard that young people could get coverage under their parent's plans until the age of 26. This meant that the insurance company could no longer try to deny Pam's coverage based on her age. He simply showed the insurance company the statement from the federal government, and the family no longer had to worry about Pam losing her coverage.

For Mark, the relief he felt was long-overdue.

“If you have a daughter with a life-threatening disease, and she is without insurance for a period of time...we are happy to pay for the medications. But, if we do, it means we are not able to pay for something else...and you can go through your assets pretty fast.”



## Freedom to choose your own path

### Kim Gibson, Rochester

Kim is a single mom of two from Rochester. At the age of 16, one of her sons hurt his back and needed surgery. He recovered well from the procedure and even received a football scholarship to go to college.

As a full-time student in college, Kim's son was able to stay enrolled under her health policy. But, it turned out that college wasn't the right fit for him. While considering his options, the possibility that his back problems would be considered a "pre-existing condition" loomed. If he left college, he would lose his insurance coverage. Were he to have a recurrence in his back injury and try to get a new plan later on down the road, any care related to his back might not be covered.



After the new health reform law, Kim's son could be on her insurance plan without having to be enrolled in school. The family no longer has to worry about his future health needs.

“He is a painter now and I know he's going to do fine. He is a very hard worker. And, now that he can stay on my insurance, I am much more at ease.”

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<sup>8</sup> In New York, Chapter 240 of the Laws of 2009 allows young adults to remain on their parents' group plan through an employer as part of a separate, “COBRA-like” benefit.

<sup>9</sup> U.S. Department of Health and Human Services, “2.5 Million Young Adults Gain Health Insurance Due to the Affordable Care Act,” ASPE Issue Brief, December 14, 2011. Available at: <http://aspe.hhs.gov/health/reports/2011/YoungAdultsACA/ib.pdf>

## It's Working Now: Statewide Consumer Assistance

The ACA also included a provision to fund statewide consumer assistance programs. These programs provide direct services to consumers who need help finding and using health insurance. Nationwide, more than \$30 million was distributed to 38 states for these programs, with roughly \$2 million going to New York. This funding was used to expand the services of Community Health Advocates (CHA), a program of the Community Service Society of New York, in December 2010.

Since its expansion, CHA and its statewide network have helped more than 20,000 consumers in New York, with problems ranging from finding affordable health insurance, to filing insurance grievances and external appeals when things go wrong.

## Confidence to challenge the system

### Junko M., New York City

Junko is a single mom from Japan with an eight-year-old daughter. In early 2011, Junko's daughter got very sick. Even though she had no health insurance, Junko did not want to risk her daughter's health. She ended up taking her to the hospital.

Shortly afterwards, Junko was sent a bill for almost \$700. While this was more than she could afford, she knew that the hospital had a financial assistance program. But, even after several tries, she was unable to get any information from the hospital on how to apply.

Frustrated, Junko sought help from a local CHA agency called Make the Road New York, where she met Becca Telzak.

Becca found out that the phone number for financial assistance that was listed on Junko's bill was incorrect. With some effort, she was able to locate the correct person. Then another barrier popped up: the hospital said that Junko needed to provide a social security card or U.S. passport, and copies of bank statements, mortgage payments, and utility bills.

Becca knew that these requests were not allowed under the financial assistance law. After pursuing the case, she was able to get the hospital to change its policy and accept Junko's application. In doing so, Junko's bill was reduced down to only \$25. Becca also found that Junko's daughter was eligible for coverage under Child Health Plus and helped to enroll her in the program.

Junko no longer has to worry about what to do the next time her daughter gets sick. She now has peace of mind knowing that her daughter has health insurance.



## Keeping a family connected to care

### The Cole Family, Rochester

Jennifer Cole is a wife and mother of four. In the fall of 2010, she received a notice from the Department of Social Services (DSS) telling her that her family no longer qualified for Medicaid.

Jennifer was in a panic. Her oldest son has autism and thankfully his coverage remained in place due to a special Medicaid waiver. But, Jennifer herself has chronic asthma and her youngest son has epilepsy and must take daily medication to prevent seizures.

“I didn’t know at that point what I could do because, if you don’t qualify for something, that’s it—you don’t qualify for it and you have to figure out something else to do. I was very torn up inside...I just can’t even describe how it felt being told that your son who has special needs... is being denied services because you are a little bit over income.”

Jennifer was able to enroll her other children into Child Health Plus (CHP), but both she and her husband were denied for Family Health Plus (FHP) because her oldest son was covered under the Medicaid waiver and so not counted in the family size. This put them over the income limit. She worried about her own health needs.

“Heaven forbid I had a terrible asthma attack and couldn’t catch my breath and had to take an ambulance to the hospital. I would have to take out a loan to pay that, which I probably wouldn’t be able to pay until the end of my days.”

After getting the run-around from DSS, Jennifer contacted the Legal Assistance Center of Western New York, a CHA agency. Sherry Corona, a CHA advocate, was able to fix the problem and get the Jennifer and her husband approved for FHP without having to do a fair hearing.

“It was really great news for me: My kids were going to have insurance. I was going to have insurance. My husband was going to have insurance. And everything was going to be good...I just can’t put a price on it, and I can’t say thank you enough.”



## Information at your fingertips

### Stacy Villagran, Nassau-Suffolk Hospital Council, Long Island

Stacy Villagran is the director of the Facilitated Enrollment program at the Nassau-Suffolk Hospital Council, a participating agency in Community Health Advocates (CHA). In May 2011, she heard that a school district in Long Island was going to lay off 54 staff members due to severe budget cuts.



Hearing this, Stacy decided to take action. She reached out to the soon-to-be laid-off staff members and provided them with information on other options for health insurance besides the COBRA coverage offered by the school district.

Cosmo is a janitor in the school district who was among those being laid off. He and his wife both require medications that cost them around \$1,000 per month. This worried him greatly as a previous job loss had forced Cosmo to exhaust his savings and start dipping into his retirement account in order to pay his COBRA premiums—a scenario he did not want to have to relive.

“I am going through the same thing again, two years later at 53. Where am I going to find a job at this age? If I lose my house, then I am going to have to use up all my money for rent, and then after that, I am done. I am finished.”

Stacy helped Cosmo enroll his two youngest children into Child Health Plus, and he and his wife are now weighing their options between Healthy NY and the NY Bridge Plan. Working with CHA, Cosmo is relieved that he now has someone to turn to.

“They have been wonderful, helpful. They gave me all the information and paper work I needed...it is good to know that they are there.”

## Help when you need it

### Sam Salganik, Community Service Society, New York City

Sam Salganik is a CHA Central Helpline attorney at the Community Service Society. In October 2010, Sam received a call on the Helpline from Susan\*, who lives in Westchester.

Susan was having trouble resolving a dispute with her insurance company. Her husband had undergone a very expensive medical treatment earlier in the year, which her insurance company had assured her would be covered.

However, the therapy was unsuccessful and Susan's husband had passed away.

Soon afterwards she began receiving an overwhelming amount of medical bills for her husband's treatment. The bills amounted to \$35,000 all together. After repeatedly trying to resolve the matter with her insurance company, she was unable to get a straight answer. That's when she contacted CHA.

“Sam was assigned to the case, and it just relieved me so much...I was not doing it by myself. Someone was there alongside of me. And they were assisting me and I had every bit of confidence in them. I felt I was going to have a more positive outcome because I had this person on my side.”

Sam worked to straighten out the tangle of paperwork that Susan had been dealing with and helped her file an appeal with the insurance company. Sam also decided to contact the university which had provided their health insurance. Upon seeing Sam's detailed files on the case, the university stepped in and was able to resolve the issue quickly for Susan.

“I could see the light at the end of the tunnel. It was as if this heavy burden was lifted from my shoulders. It was something I did not have to worry about any longer. I had other things to deal with at the time. I was still going through the grieving process. It was still very fresh.”

*\*Name changed to protect the client's privacy*

With Sam's help, Susan was able to get all of her husband's medical bills covered by the insurance company without having to go to court. She feels grateful both for the help she received, and just knowing that CHA is there for her.

“It doesn't matter what your education level is, your knowledge, your language skills. It doesn't matter if you are an organized person or not. You could reach a point where you can't deal with it any longer and that means you need help. There is assistance out there, just get out there and reach for it. It is certainly well worth it. It is well worth it financially, but emotionally as well.”



# Affordable Care Act Implementation Timeline

2 0 1 0

**Adults with pre-existing conditions** become eligible for enrollment in the temporary pre-existing condition insurance plan.

**Small businesses** are eligible for tax credits to help them provide health insurance for their employees.

**Seniors with Medicare** who hit the Part D “donut hole” receive a \$250 rebate check.

**Young adults** can stay on their parent’s health insurance until the age of 26.

**The U.S. Department of Health and Human Services** awards grants to states to establish health insurance consumer assistance or ombudsman programs. Community Health Advocates is established in NY.

**A temporary reinsurance program** is created for early retirees (55-64) enrolled in employer health plans.

**New insurance consumer protections:**

*Insurance companies can no longer put lifetime caps on essential benefits, and annual limits are restricted.*

*Insurers can no longer deny coverage for kids (<19) with pre-existing conditions.*

*Insurers are prohibited from dropping enrollees when they get sick.*

*Qualified health plans are prohibited from charging co-pays or deductibles for preventative services and screenings.*

*Health plans are required to report the proportion of premium dollars spent on medical services (medical loss ratio) and spend at least 80% on health care and quality improvement.*

2 0 1 1

**Seniors with Medicare** who hit the Part D “donut hole” will get a 50% discount on brand name drugs and biologics, and a 7% discount on generics. Increasing discounts on brand name and generic drugs will be phased in over the next 10 years.

**Seniors with Medicare** no longer have to pay co-pays for many preventative services and screenings.

**Medicare Advantage plans** will no longer be able to charge higher co-pays than regular (fee-for-service) Medicare.

**Health plans** who do not meet the medical loss ratio requirements imposed in 2010 will be required to issue rebates to enrollees.

**The Community First Choice Option** will allow states to offer home and community-based services to people with disabilities through Medicaid instead of nursing homes.

**2 0 1 2**

**Federally conducted or supported** health programs, activities, or surveys are required to collect and report data on race, ethnicity, sex, primary language, disability status and underserved rural and frontier populations.

**Health care plans** are required to begin to make the transition to electronic health records.

**A hospital value-based purchasing** program is established for original Medicare. Hospitals are required to publicly report their performance based on a number of measures.

**Doctors and other providers** receive new incentives to join together to form “Accountable Care Organizations” to better coordinate patient care and improve outcomes.

**2 0 1 3**

**State Medicaid programs** receive new incentives to provide preventative services and immunizations at little or no cost.

**States will get two more years** of funding for the Children’s Health Insurance Program (in New York, this is called Child Health Plus).

**The Consumer Operated and Oriented Plan (CO-OP)** program for the the creation of non-profit, member run health insurance plans is established.

**States are required** to pay Medicaid doctors no less than 100% of Medicare payment rates for preventative services.

## Affordable Care Act Implementation Timeline

2 0 1 4

**All U.S. citizens and legal residents** are required to have qualifying health coverage (with exemptions).

**Mid-size and larger employers** have new requirements around the provision of health insurance benefits for their employees.

**Health insurance exchanges** – or insurance “marketplaces” – are made available to enable individuals and small businesses to learn about health care options, and enroll in plans.

**Plans sold on the health insurance exchange** are required to offer an essential health benefits package that covers a comprehensive range of services.

**People who earn less than 400%** of the Federal Poverty Level (FPL)(about \$74,000 for a family of three) may be eligible for refundable and advanceable premium and cost-sharing subsidies to purchase insurance on the exchange.

**Out-of-pocket cost-sharing** is limited to no more than \$11,900 for a family or \$5,950 for an individual. Limits are further reduced on a sliding scale for people who earn less than 400% of the FPL (about \$74,000 for a family of three).

**States are permitted to create** a Basic Health Plan to cover people earning less than 200% of the FPL (around \$30,000 for a family of three).

**Seniors with Medicare** have the Part D out-of-pocket amount that qualifies for catastrophic coverage reduced.

**Medicare Advantage plans** are required to spend at least 85% of premium dollars on health care services to enrollees.

**Medicaid eligibility** is raised to include people up to 138% of FPL.

2 0 1 5

**Provider reimbursements** are tied to the quality of care they provide. Physicians who provide higher-value care are reimbursed more than those who provide lower quality care.

This report was prepared by Arianne Slagle, MPA, Catherine W. Chao, and Brandon Sultan of the Community Service Society of New York. The authors are grateful to the many New Yorkers who shared their stories.



The Community Service Society of New York (CSS) draws on a 168-year history of excellence in addressing the root causes of economic disparity. We respond to urgent, contemporary problems through applied research, advocacy, and litigation, and innovative program models that strengthen and benefit all New Yorkers. CSS is a founding member of Health Care For All New York. [www.cssny.org](http://www.cssny.org)



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