



Health Reform: Helping You Keep Your Costs Down

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Health care reform makes a number of changes to open up access to affordable, comprehensive health insurance coverage. Key changes that will kick in in 2014 include:

1. Guaranteed availability of coverage
2. Fairness standards for health insurance premiums
3. Coverage for Essential Health Benefits

What is guaranteed availability of coverage?

Traditionally, health insurers have been able to turn away applicants for coverage because they had been sick previously, meaning that people who needed insurance the most were not always able to get it. Under the health reform law, insurers are prohibited from denying coverage to people with “pre-existing conditions,” meaning that no person can be turned away because of previous health issues. This “guaranteed issue” requirement applies to coverage starting in 2014.

Guaranteed issue means that conditions such as HIV or cancer will no longer be a barrier to buying insurance coverage. Transgender people will also be able to purchase coverage without being turned down by insurers who claim that being transgender is a pre-existing condition.

For more information on guaranteed availability of coverage, visit <http://www.healthcare.gov/using-insurance/managing/need-rejected/>

What are the changes that the health reform law makes to insurance premiums?

The law limits how much individual and small group insurers can vary premiums, which are the monthly costs for coverage. Starting in 2014, insurers may only vary their premiums within certain limits based on age, tobacco use, family size, and geography. All other factors, such as health status, gender, and occupation, may no longer be used to increase premium costs for consumers.

This reform means that, starting in 2014, monthly premium costs for LGBT people cannot be based on factors such as sexual orientation, gender identity, health status, or pre-existing condition. Protection from higher premium costs will help make sure that transgender people, people living with HIV or AIDS, and other people who have had trouble finding coverage in the past will have access to fair, more affordable coverage.

There are differences in the monthly costs for coverage between individual and family plans. The federal government and states will be deciding over the next several months how family costs will vary for diverse types of families, and whether same-sex couples and their children will be able to enroll in family plans.

What does the health reform law change about the benefits covered by insurance plans?

Under the health reform law, starting in 2014, individual and small group health insurance plans must offer a core package of items and services known as “Essential Health Benefits.” This requirement applies to plans sold both inside and outside of the Health Insurance Marketplaces and will affect an estimated 68 million people.

Essential Health Benefits plans must include coverage within the following 10 categories:

1. Ambulatory patient services (for example, walk-in services at community health centers)
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Mental health and substance use disorder services, including behavioral health treatment
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services and chronic disease management
10. Pediatric services, including oral and vision care

For 2014 and 2015, details on what items and services must be covered in these categories are being set individually by each state, based on requirements in federal rules.

Proposed federal rules setting standards for state Essential Health Benefits plans would prohibit insurers from excluding services, procedures, or other benefits in a way that discriminates against people on the basis of a variety of factors, including sexual orientation, gender identity, diagnosis, and health condition. This would improve the quality of insurance available to transgender people, who are frequently denied coverage for a variety of health care services, as well as other groups of consumers such as women and people living with HIV or AIDS.

For more information about benefits for transgender people, visit

<http://www.americanprogress.org/issues/lgbt/report/2012/10/03/40334/faq-health-insurance-needs-for-transgender-americans/>

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For even more information about what health care reform does for LGBT people, visit <http://www.healthcare.gov/news/factsheets/2011/01/new-options-for-lgbt-americans.html>.