

Questions & Answers about

Health Reform and Diabetes:

UPDATED to Reflect Supreme Court Decision



What is the Patient Protection and Affordable Care Act?

The Patient Protection and Affordable Care Act, or the Affordable Care Act (ACA) as it's more commonly known, is federal health care reform legislation that became law in March 2010. The law includes many new tools in the fight to Stop Diabetes®. In response to challenges from opponents of the ACA, on June 28, 2012, the U.S. Supreme Court declared the ACA constitutional. The Supreme Court decision cannot be appealed and therefore implementation of the ACA will continue as planned. Note: Please see the section below on the impact on low income people to see how the ruling affects the Medicaid provisions of the ACA.

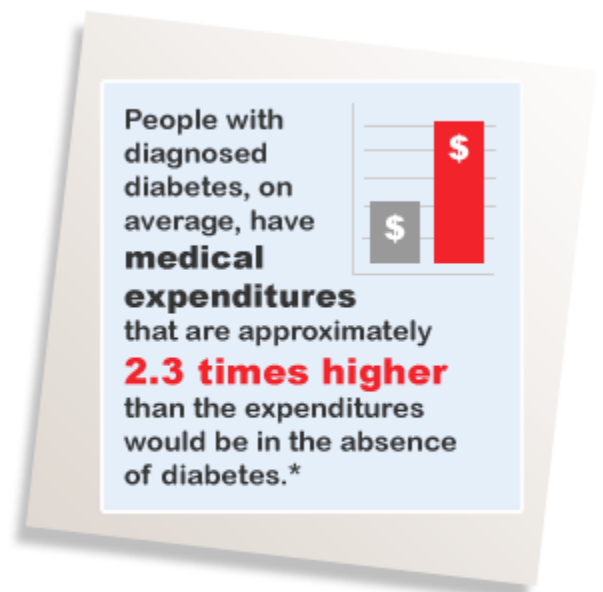
Why was the law needed?

Under the old health care system, it was legal to deny health insurance to people with diabetes or force them to pay more for insurance coverage simply because they had diabetes. Even for people who had insurance coverage, their plans sometimes didn't cover the most basic diabetes needs, leaving them with large expenses in addition to the cost for insurance. This lack of affordable access to care led many people to forgo the care they needed to prevent, delay or slow the progression of diabetes. That meant cutting back on – or even going without – the doctor visits, insulin, medicines and test strips necessary to managing diabetes. As a result, many people ended up suffering needlessly from diabetes complications that might have been prevented had medical care been available to them earlier. [Read the stories about why health care reform was needed.](#)

I have diabetes. What does the ACA mean for me?

The ACA has many important provisions that impact people with diabetes, including rules about pre-existing conditions, lifetime limits on benefits, drug costs, and programs aimed at preventing type 2 diabetes.

In 2014, insurance companies will no longer be allowed to deny coverage because a person has a pre-existing condition such as diabetes. This protection is already in place for children under the age of 19. In 2010, as an



*SOURCE: "Economic Costs of Diabetes in the U.S. in 2007," American Diabetes Association.

interim measure, the ACA set up special plans, called the Pre-Existing Condition Insurance Plan (PCIP) for the specific purpose of providing health insurance coverage to people who otherwise could not get insurance under the old rules. A PCIP, administered by either your state or the U.S. Department of Health and Human Services, will be available until the provisions banning discrimination based on pre-existing conditions are fully implemented in 2014. Also under the ACA, insurers are not allowed to limit or drop coverage to avoid paying diabetes-related medical expenses and people cannot be charged higher premiums for health insurance simply because they had diabetes.

What does the ACA mean for children with diabetes?

The ACA now prohibits insurers from excluding children under age 19 with diabetes from being covered simply because of their diabetes. The law also allows young adults – including those with diabetes – to stay on their parent’s insurance plans until age 26 with few exceptions.

What does the ACA mean for seniors with diabetes?

The ACA provides new benefits to Medicare participants. In 2012, Medicare beneficiaries who reach the donut hole will have to pay 50% of the cost of brand-name drugs, and 86% of the cost of generic drugs. Going forward, each year Medicare participants will have to pay less of their costs while in the donut hole, until it is closed by 2020.

In addition, Medicare participants are now able to receive a free annual wellness visit to identify health risks such as diabetes or diabetes-related complications, and to develop an individual prevention plan. The law also requires Medicare to cover certain preventive services for free. These provisions apply to anyone eligible for Medicare, which also includes people who have a severe disability that prevents them from working.

How does the law affect low and moderate income people?

Under the ACA, adults and children in families with incomes up to 133 percent of the poverty level will be eligible for health insurance through the Medicaid program starting in 2014. States will receive federal funding for this expansion. Contact your state Medicaid agency to find out if you are eligible for Medicaid coverage. A link to your state’s Medicaid website can be found at www.medicaiddirectors.org.

How did the Supreme Court ruling impact this provision?

The Supreme Court upheld the Medicaid expansion, except states that do not participate in the expansion will not lose all Medicaid funding. ADA will continue our work at the state level to encourage states to expand Medicaid to ensure that low income individuals with and at-risk for diabetes have the access to necessary care and treatment and that the full potential of the coverage expansion included in the ACA is realized.

In addition, starting in 2014, people whose income was below 400 percent of the poverty level may be eligible for tax credits and other subsidies when they buy insurance through the health insurance exchanges.

I am self-employed and I have diabetes. Can I purchase affordable insurance under the law?

If you are without insurance coverage and meet certain other criteria, you are eligible to apply for coverage through the Pre-Existing Condition Insurance Plan (PCIP). By 2014, under the ACA, you cannot be denied insurance coverage because of your diabetes.

Also starting in 2014, if your employer does not offer adequate, affordable health insurance or you are self-employed, you will be able to buy insurance directly from plans in new marketplaces called exchanges which will provide insurance to individuals and small employers with less than 100 employees in each state. The exchanges will be required to provide coverage for a minimum set of essential benefits, and are intended to be an affordable option for people with diabetes shopping for competitive insurance coverage.

Will I have to pay more for my insurance coverage because of my diabetes?

Once the ACA is fully implemented in 2014, insurers will no longer be allowed to charge higher rates because you have diabetes.

Does the ACA address prevention of diabetes?

Yes. A program to prevent diabetes, called the National Diabetes Prevention Program (NDPP), was established to expand the reach of community-based programs with a proven track record of preventing type 2 diabetes. Also, the law established a Prevention and Public Health fund to address wellness and prevention, and make some preventive services available for free. In 2012, the NDPP received \$10 million from the Prevention and Public Health fund.

How do I find information about insurance plans available to me?

Contact your state's Department of Insurance to inquire about insurance requirements and consumer protections in your state – information for state insurance departments is available at: http://www.naic.org/state_web_map.htm.

Plus, the ACA required the federal government to create a website (www.healthcare.gov) where individuals and businesses can obtain information about the insurance coverage options that may be available to them in their state, which is another resource to look to information about how the ACA affects health insurance plans.

What role did the American Diabetes Association play in health reform?

Throughout the health care reform debate leading up to passage of the ACA, the American Diabetes Association fought hard to ensure reform benefited the nearly 26 million people with diabetes and the 79 million more with prediabetes. We collected stories from people with diabetes who have suffered because they did not have access to affordable health care. We met with legislators to make sure those stories were heard, and we worked with congressional staff to ensure the smallest of details in the thousand-page bills would protect and not harm people with, and at-risk for, diabetes. Diabetes advocates from around the country visited with their elected officials to share their



stories about how important it was for Congress to end the discrimination that prevented people with diabetes from protecting their health.

Since March 2010, the American Diabetes Association has been working hard to ensure the law is implemented in a way that will benefit people with, and at risk for, diabetes, and that those with diabetes are aware of the numerous improvements made, or scheduled to be made, by the law. Along with the American Cancer Society Cancer Action Network and the American Heart Association, the American Diabetes Association submitted a brief to the Supreme Court arguing the health reform law should be upheld and allowed to be fully implemented to the benefit of people with chronic diseases.

Where can I find more information about getting involved with the American Diabetes Association?

For more information about getting involved with advocacy efforts, [visit the American Diabetes Association online](#). If you are not already signed up as a Diabetes Advocate, please do so today!

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