

# What Does Health Care Reform Mean for You?

*We've fought to improve our health care system for decades—now we've won and health care reform is law. But what does this law mean for you and your family?*

## The First Two Things You Need to Know

1. You will continue to have the employer-sponsored health coverage you win at the bargaining table.
2. The proposed excise tax has been put off until 2018 and the dollar impact reduced by 85 percent, thanks to our work.

Here's what else the health care reform law does for you:

## Holds Insurance Companies Accountable

- **Ends the worst insurance company abuses** like denying coverage because of pre-existing conditions (this year for children and for everyone in 2014) and dropping coverage when someone files a claim. It eliminates lifetime limits on benefits and regulates annual caps on benefits until 2014, then eliminates them altogether.
- **Stops wasteful spending on executive salaries** by limiting how much of your insurance premium can go toward company administration and profits. An insurer that goes over the limit has to rebate the excess back to consumers.
- **Gets a handle on excessive rates**, mandating state and federal review of insurance plans that demand big premium increases.

- **Ends discrimination against women** by forcing insurance companies to stop charging more for groups with higher percentages of women, beginning in 2014.

## Holds Employers Accountable

- **Requires large employers to pay a penalty** if their employees have to get subsidies in the exchanges to buy their own insurance.

## Lowers Costs

- **Expands the "risk pool" by covering nearly everyone and creates health insurance exchanges** that will increase competition and help lower premium costs over time for all plans.
- **Reimburses plans for early retiree costs** through a \$5 billion reinsurance fund.
- **Creates the largest tax cut for health care in history** by giving tax credits and cost-sharing assistance to low- and middle-income Americans in the exchanges.
- **Gives people buying their own insurance access to lower group rates** through the insurance exchanges.

- **Limits what people have to pay for premiums and out-of-pocket costs**, using a sliding scale based on income.
- **Creates Medicare delivery and payment reforms** that will reduce costs throughout the health care system.

### **Expands Health Care Coverage to Nearly Everyone**

- **Extends coverage to 32 million more Americans** by 2019 by creating new health insurance exchanges—where members of Congress will be required to get their health coverage—and subsidizing coverage for those who can't afford it.
- **Helps small businesses provide their workers with insurance** through tax credits that cover 35 percent of premium costs immediately and 50 percent in 2014.
- **Enables you to get affordable insurance coverage** through insurance exchanges that start in 2014—even if changing jobs or losing a job means you lose your employer-provided coverage.
- **Helps ensure your children have health care** starting this year by barring insurance companies from denying coverage to children based on pre-existing conditions and allowing children to stay on your policy until they are 26 years old.

### **Lowers Costs and Improves Care for Seniors**

- **Closes the Medicare Part D prescription “donut hole”** with a \$250 rebate this year, a 50 percent

discount on brand-name drugs in the donut hole starting next year and closing the coverage gap completely by 2020.

- **Provides free Medicare preventive care for seniors** starting Jan. 1.
- **Ensures Medicare will be there for you when you retire** by reducing excessive payments to insurance companies through Medicare Advantage.

### **Invests in Health Care Professionals**

- **Invests in training for primary care doctors, nurses and public health professionals** to reverse the shortage of primary health care workers.
- **Enables more doctors to stick with primary care** by increasing their payment rates.
- **Encourages doctors to serve Medicaid patients** by raising Medicaid payment rates.
- **Increases funding for community health centers** to double the number of patients they can serve over the next five years.

### **Lowers the Federal Deficit**

- **Cuts the deficit by \$138 billion over 10 years and \$1.2 trillion over the following decade**, according to the independent Congressional Budget Office.

**For more information, visit [www.aflcio.org/healthcare](http://www.aflcio.org/healthcare).**