



The Affordable Health Care for America Act (H.R. 3692): What it Means for Women in New Jersey

Today, too many women in New Jersey depend on a health care system that is failing them. They have trouble affording necessary care, face unfair insurance industry practices, or struggle to find insurance that covers the benefits they need. Health reform must ensure that all women in New Jersey and across the nation have access to the comprehensive, high-quality, and affordable health care they need.

In the absence of health reform, more and more women and families will lose their health insurance, with almost 200,000 New Jersey residents estimated to lose coverage between 2008 and 2010.¹ Family premiums will continue to skyrocket, reaching a projected \$24,026 for New Jersey families by 2016.² Women in New Jersey simply cannot afford the status quo. Women's well-being—and that of their families—depends on health reform that meets their needs.

On November 7, 2009, the U.S. House of Representatives passed the Affordable Health Care for America Act (H.R. 3962). This comprehensive health reform bill makes vitally important advances for women's health by ending harmful insurance industry practices and expanding access to affordable health coverage. Unfortunately, the bill fails to address the full range of women's reproductive health needs by creating a de facto ban on abortion coverage for those obtaining insurance through the new "Health Insurance Exchange."

Why do Women in New Jersey Need Health Reform?

Women in New Jersey Face Unfair and Discriminatory Insurance Industry Practices in the Group Health Insurance Market

- New Jersey prohibits gender rating—or the insurance industry practice of using gender to determine premium rates—in the individual health insurance market, where people buy coverage directly from insurance companies. However, gender rating is still permitted in the state's group health insurance market, where many businesses obtain coverage for their employees.
 - While federal law prohibits employers from charging individual male and female employees different rates for coverage, insurance companies are often allowed to consider the number of women a business employs when determining the group's overall premium.
 - New Jersey's community rating law limits the extent of gender rating in the group market with a rate band, but this protection is restricted to "small" businesses with up to 50 employees. Moderate and larger-sized businesses are still subject to gender rating without limits, and predominately female workforces—such as child care centers, home health agencies, or non-profits—can end up paying significantly more for coverage.³

Women in New Jersey Have More Trouble Affording Necessary Health Care

- Women are generally poorer than men, and in New Jersey earn just 77 cents for every dollar men earn.⁴ Women also use the health care system more, in part due to their reproductive health needs.⁵

- Because they are poorer and use more care, women spend a greater share of their income on their health needs. Women are more likely than men to struggle with medical bills or debt, and to report cost-related problems with accessing health care.⁶ For instance, 16% of women in New Jersey report not visiting a doctor due to high costs.⁷
- Women without coverage are especially likely to experience cost-related barriers to care. In 2007, 17% of all women in New Jersey were uninsured.⁸
- Even women with health insurance report problems affording health care. Unaffordable cost-sharing requirements, annual limits on covered services, or health plan limits on lifetime expenditures have a disproportionate impact on women. They are more likely than men to be underinsured, meaning they have coverage that leaves their financial and physical health at risk.⁹

Women in New Jersey Struggle to Find Coverage for the Benefits They Need

- Women, on average, visit health providers more often than men and use more preventive care. They are also more likely to suffer from a chronic condition requiring ongoing care, such as asthma or arthritis.¹⁰ If a health plan does not cover a comprehensive set of health benefits, women may struggle to pay out-of-pocket for necessary health care that is not covered by their plan, or they may delay or skip that care altogether.
- New Jersey's limited-benefit ("bare-bones") plan for individuals and small groups, the *Basic and Essential Health Care Services Plan*, excludes coverage for prescription drugs, chemotherapy, and prenatal care, and caps coverage for preventive services, mental health treatment, and inpatient hospital care.¹¹ While less expensive, this plan can expose women to significant financial risk should they need care for more serious conditions.

What Does the Affordable Health Care for America Act (H.R. 3962) Mean for Women in New Jersey?

H.R. 3962 Ends Harmful Insurance Industry Practices

- H.R. 3962 imposes strict regulations on insurance carriers, including the elimination of gender rating; a requirement that health insurers accept all applicants for coverage regardless of their medical history; and a prohibition on pre-existing condition exclusions.
- While New Jersey already has state laws that protect residents from many harmful industry practices, most states do not. New Jersey's protections are not portable, and will be lost if a woman relocates to a different state. H.R. 3962 guarantees robust regulations in every state and across all health insurance markets, so that women are protected from unfair and discriminatory practices no matter where they live.

H.R. 3962 Helps Women Obtain More Affordable Health Insurance

- H.R. 3962 extends Medicaid eligibility to people with incomes at or below 150% of the federal poverty level (FPL), providing more low-income women and their families with access to this essential program. Under this expansion, up to 176,000 uninsured women in New Jersey would be eligible for Medicaid coverage.¹²
- H.R. 3962 makes coverage more affordable for low and middle-income families by providing health insurance subsidies to those with family incomes between 150 and

400% of the FPL. In New Jersey, approximately 196,000 women would be eligible for subsidies to help with premiums and out-of-pocket costs under this provision.¹³

H.R. 3962 Ensures that Women Have Access to Many of the Benefits They Need

- H.R. 3962 requires all health insurance plans to provide (at a minimum) a broad range of medical benefits—including maternity care, prescription drugs, mental health services, and preventive care (such as mammograms).

However, H.R. 3962 Effectively Bars Abortion Coverage for Women Participating in the New Health Insurance Exchange

- H.R. 3962 treats abortion care—a key component of reproductive health care for women—differently than all other health care services. For women in the Exchange who receive health insurance subsidies and/or who choose the public health insurance option, the bill prohibits coverage for abortion care. Furthermore, because of this restriction on the majority of Exchange participants, it is highly unlikely that even women who do not receive subsidies would be able to choose a plan that covers abortion.

¹ Families USA (2009), *The Clock is Ticking: More Americans Losing Health Coverage*, <http://www.familiesusa.org/assets/pdfs/health-reform/clock-is-ticking.pdf>

² Sarah Axen and Elizabeth Carpenter, New America Foundation (2009), *The Cost of Doing Nothing: Why the Cost of Failing to Fix Our Health System is Greater than the Cost of Reform*, http://www.newamerica.net/publications/policy/cost_doing_nothing

³ Brigitte Courtot and Julia Kaye, National Women's Law Center, *Still Nowhere to Turn: Insurance Companies Treat Women Like a Pre-Existing Condition* (Oct. 2009), <http://www.nwlc.org/pdf/stillnowheretoturn.pdf>

⁴ National Women's Law Center (2009), *Falling Short in Every State: The Wage Gap and Harsh Economic Realities for Women Persist*, <http://www.nwlc.org/fairpay/statefacts.html>

⁵ Elizabeth Patchias and Judy Waxman, National Women's Law Center (2007), *Women and Health Coverage: The Affordability Gap*, <http://www.nwlc.org/pdf/NWLCCommonwealthHealthInsuranceIssueBrief2007.pdf>

⁶ Sheila D. Rustgi, Michelle M. Doty, and Sara R. Collins, The Commonwealth Fund (2009), *Women at Risk: Why Many Women are Forgoing Needed Health Care*, <http://www.commonwealthfund.org/Content/Publications/Issue-Briefs/2009/May/Women-at-Risk.aspx>

⁷ Kaiser Family Foundation (2009), *Putting Women's Health Disparities on the Map*, <http://www.statehealthfacts.org/comparemapreport.jsp?rep=31&cat=15>

⁸ National Women's Law Center analysis of 2007 data on health coverage from the Current Population Survey's 2008 Annual Social and Economic Supplement, using CPS Table Creator, http://www.census.gov/hhes/www/cpstc/cps_table_creator.html

⁹ *Women at Risk*, supra note 6

¹⁰ Salganicoff et al., The Kaiser Family Foundation, *Women and Health Care: A National Profile* (KFF, Menlo Park, CA: July 2005); U.S. Census Bureau, *Statistical Abstract of the United States: 2009*, "Table 159 – Ambulatory Care Visits to Physicians' Offices and Hospital Outpatient and Emergency Departments: 2006"

¹¹ New Jersey Department of Banking and Insurance, *NJ Individual Health Coverage Program Buyer's Guide*, Available at: http://www.state.nj.us/dobi/division_insurance/ihcseh/ihcguide/benefits.html#be (Date Accessed: July 23, 2009)

¹² Estimate includes uninsured women who may currently be eligible, but are not enrolled in, their state's Medicaid program. Based on National Women's Law Center calculations using health insurance data for women ages 18-64 from the Current Population Survey's 2009 Annual Social and Economic Supplement, using CPS Table Creator, http://www.census.gov/hhes/www/cpstc/cps_table_creator.html

¹³ *Ibid.* Includes an estimated 157,000 uninsured women and 39,000 women who currently purchase coverage from the individual health insurance market. Estimate does not include women with an offer of employer-sponsored health insurance that is deemed "unaffordable" (i.e. if the premium exceeds 12% of income), though women in this situation would also qualify for premium and cost-sharing subsidies under H.R. 3962.