



What Women Need to Know about Health Reform: Insurance Reforms

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The comprehensive health care reform law recently signed by President Obama includes many insurance market reforms that protect consumers. This aspect of reform is particularly important for women because insurers in the individual and group health insurance markets have typically been allowed to engage in a variety of practices that unfairly discriminate against women, such as using gender when setting premiums, treating being the victim of domestic violence as a pre-existing condition and denying coverage to women because they have had a C-section or breast cancer. Health reform prohibits these practices and creates new Health Insurance Exchanges, making it easier for women to find affordable, quality health insurance coverage.

Health Reform Makes Insurance Easier to Obtain

- New Health Insurance Exchanges will be established in every state in 2014 to serve as easy-to-use “insurance shopping centers” where women can compare and choose the health plan that best fits their needs. Individuals and small groups (defined as up to 100 employees) can purchase health insurance coverage in the Exchanges.

Health Reform Prohibits Sex Discrimination in Health Care

Insurance companies, health care providers and health programs that receive funding from or are operated by the federal government cannot discriminate on the basis of sex, race, national origin, age or disability. This new protection applies broadly and nationwide, and it is effective immediately. In addition:

- Small group and individual health plans are prohibited from using gender to determine premiums. This provision takes effect for all new plans for plan years beginning after January 1, 2014. Additionally, premiums in the small group and individual markets may only vary by age (insurers can charge the oldest person a maximum of 3 times more than the youngest), tobacco use (smokers can be charged a maximum of 1.5 times more than nonsmokers), geography, and whether the coverage is for an individual or a family. In 2017, states may allow large groups (defined as over 100 employees) to buy coverage in the Exchanges. If a state chooses this option the premium rating rules also apply to all new large group health plans.

Health Reform Bans Practices that Made Insurance Inaccessible for Many Women

- Coverage rescissions are banned. In other words, insurance companies are prohibited from cancelling health insurance policies that have already gone into effect unless there has been fraud or an intentional misrepresentation of material fact. Under the practice of rescission, insurance companies search for reasons to cancel the policies of women who become sick as a way to avoid paying for medical treatments. The prohibition takes effect for all health plans (including existing plans) starting in September 2010.*
- Insurers are required to accept every individual and employer that applies for coverage. This is important for women who have faced rejection due to having had a C-section,

having received treatment for a sexual assault, being a domestic violence survivor, or having chronic disease or any other illnesses. However, health insurance companies can limit enrollment to special open enrollment periods. This provision applies to all new health plans (though small group health plan enrollees are already protected under current law) and is effective in January 2014.

- Health plans are prohibited from denying coverage for “pre-existing conditions” such as pregnancy, being a domestic violence survivor, or having had a C-section or breast or cervical cancer. This protection applies to all health plans except existing individual plans; it begins in September 2010 for children 19 and under and in January 2014 for adults.
- Health insurance companies are prohibited from discriminating based on health status. In other words, plans may not establish rules for eligibility for individuals to enroll in coverage based on health factors, such as being the victim of domestic violence. This provision is effective in January 2014 and applies to all new individual health plans (people in group health plans are already protected under current law).

For more information on women and the health reform law, visit the National Women’s Law Center website: www.nwlc.org/reformmatters

* Protections are in effect for health plan years beginning *on or after* this date, e.g. if your insurance plan is renewed on January 1, 2011, the new provisions take effect at that time. Some health plans have announced that they will voluntarily implement certain provisions earlier than required.