

## Women and the Health Care Law in Kentucky

The health care law, also known as the Affordable Care Act, protects women from discriminatory health insurance practices, makes health coverage more affordable and easier to obtain, and improves access to many of the health services women need. Approximately 13 million women will gain coverage because of the Affordable Care Act by 2016.<sup>1</sup> Millions of women already benefit from the new law, and all women will gain important protections when the law is fully implemented in 2014.

### Why Women Need the Health Care Law

Women face unfair and discriminatory insurance practices, such as being denied coverage or paying more for health insurance than men. At the same time, individual market health plans often exclude coverage for services that only women need like maternity care. In most states, women are routinely denied coverage because of pre-existing conditions such as having had a C-section, breast or cervical cancer, or receiving medical treatment for domestic or sexual violence.

- In Kentucky, too many women are uninsured, especially in communities of color. Approximately 268,000 women, over 19% of Kentucky women, were uninsured. The numbers are even higher for women of color. In Kentucky, 31.7% of black women and 51.1% of Hispanic women were uninsured compared to 15.9% of white women.<sup>2</sup>
- Women who are able to buy health insurance on the individual market often have to pay more than men for the same coverage, a practice known as gender rating. In Kentucky, 100% of plans practice gender rating.<sup>3</sup>
- Individual market insurance plans often don't cover all of the services women need. In Kentucky, no individual market plans cover maternity care.<sup>4</sup>

### The Health Care Law is Already Helping Women and Their Families

#### *Access to Health Coverage when families need it the most*

- The law allows young adults to remain on their parents' health insurance until age 26. Over 3.1 million young people across the country have gained insurance coverage through this part of the health care law. Over 48,000 young people in Kentucky have gained coverage thanks to the law.<sup>5</sup>
- Children with pre-existing conditions can no longer be denied health coverage. This provision is already helping 81,200 kids in Kentucky with pre-existing conditions access health care.<sup>6</sup>
- The law also guarantees that people who have coverage will be able to rely on it when they need it most. Health plans are no longer allowed to cancel health insurance policies or drop coverage when people become sick.
- The law prohibits lifetime limits on most benefits, ensuring that coverage doesn't run out during a time of need. 528,000 women in Kentucky no longer have a lifetime limit on their health coverage.<sup>7</sup>

*With the law on your side, great things are possible.*

### *Access to Preventive Care Without Cost-Sharing*

- Health plans must now cover certain preventive services such as mammograms, flu shots, and colon cancer screenings at no additional out-of-pocket-costs such as co-payments.
- All new health plans must also cover certain women's preventive services with no co-payments;<sup>8</sup> these include the full range of FDA-approved contraception methods and contraceptive counseling, well-woman visits, screening for gestational diabetes, breastfeeding support, supplies, and counseling and domestic violence screening and counseling.<sup>9</sup> An estimated 374,000 women in Kentucky received preventive services without a co-payment in 2011 and 2012.<sup>10</sup>

### *Insurance Reforms that Help Control Costs*

- Health plans must offer an explanation when they increase premiums by more than 10%. Plans must post all explanations online and consumers must have a chance to comment on the rate increase.<sup>11</sup>
- The health care law also reduces what women and families will have to pay for health care by capping out-of-pocket expenses.
- 981,000 people in Kentucky are already seeing the effects of a federal requirement that insurance companies must spend 80-85% of premiums on health care, instead of on administrative costs and profits. Insurance companies that have not met this standard are required to provide rebates to consumers which totaled \$15,326,103 in Kentucky in 2012, with an average family rebate of \$114.<sup>12</sup>

### *New Benefits for Women with Medicare Coverage*

- Over 312,000 women with Medicare in Kentucky received preventive services at no additional cost in 2011.<sup>13</sup>
- In 2012, 72,391 Medicare beneficiaries in Kentucky saved an average of \$703 on prescription drugs as the new law has begun closing the so-called doughnut-hole in Medicare's prescription drug benefit.<sup>14</sup>

## More Benefits and Protections are on the Way

### *Access to Coverage through Insurance Marketplaces*

- By 2014, there will be a health insurance exchange up and running in Kentucky, where women can easily compare plans and shop for affordable, comprehensive health insurance coverage for themselves and their families. 84,965 women in Kentucky will be able to access tax credits to help them purchase coverage through the exchange.<sup>15</sup>

### *Access to Coverage through Medicaid*

- Starting in 2014, states will have the option to offer Medicaid coverage to all individuals with incomes below about \$15,000 a year, and families earning less than about \$30,000 a year (133% of the federal poverty line). The federal government will cover 100% of the cost of this coverage expansion in the first three years, phasing down to 90% in subsequent years
- 139,000 women in Kentucky would be newly insured if Kentucky accepts the federal money to expand coverage.<sup>16</sup>

- When combined with other reforms in the ACA, this coverage expansion would reduce uninsurance in Kentucky by 55.2%.<sup>17</sup>
- Women covered through Medicaid will receive a comprehensive set of health benefits, such as mammograms, preventive health screenings, and treatment for chronic conditions. Women and their families will have greater economic security—people with Medicaid coverage are less likely to ignore other bills or borrow money to pay medical expenses than people without health coverage.
- Estimates show that accepting the federal money and covering more people could save Kentucky \$451 million dollars in uncompensated care costs over the next ten years.<sup>18</sup>
- Covering more people through Medicaid will also bring in \$17.6 billion of federal funding into Kentucky, helping to keep hospitals open and available in local communities.<sup>19</sup>

### *Services Women in Kentucky Need*

- Starting in 2014, all new health plans must cover a list essential health benefits including maternity and newborn care, mental health treatment, and pediatric services such as vision and dental care. Prior to the Affordable Care Act, no individual market plans in Kentucky covered maternity care.<sup>20</sup>

### *Insurance Reforms that End Discriminatory Practices*

- Starting in 2014, plans can no longer deny coverage to adults with pre-existing conditions. This means women will no longer be treated as a pre-existing condition and be denied insurance coverage for a history of pregnancy; having had a C-section; being a survivor of breast, or cervical cancer; or having received medical treatment for domestic or sexual violence.
- Starting no later than 2014, insurance companies will no longer be allowed to charge women and small employers with a predominantly-female workforce more for coverage, a practice known as gender rating. In Kentucky, 100% of plans currently practice gender rating, with 50% even charging non-smoking women more for coverage than male smokers.<sup>21</sup>

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<sup>1</sup> Allison Cuellar et. al., U.S. Department of Health and Human Services, ASPE Issue Brief, *The Affordable Care Act and Women* (March 2012), available at <http://aspe.hhs.gov/health/reports/2012/ACA&Women/rb.shtml>.

<sup>2</sup> National Women’s Law Center analysis of 2011 health insurance data from the U.S. Census Bureau Current Population Survey’s (CPS) 2012 Annual Social and Economic (ASEC) Supplements, available at [http://www.census.gov/hhes/www/cpssc/cps\\_table\\_creator.html](http://www.census.gov/hhes/www/cpssc/cps_table_creator.html).

<sup>3</sup> Danielle Garrett, National Women’s Law Center, *Turning to Fairness: Insurance Discrimination against Women Today and the Affordable Care Act*, (March 2012).

<sup>4</sup> *ibid*

<sup>5</sup> Healthcare.gov, *State-Level Estimates of Gains in Insurance Coverage among Young Adults* (June 2012), available at: <http://www.healthcare.gov/news/factsheets/2012/06/young-adults06192012a.html>.

<sup>6</sup> Families USA, *Worry No More: Americans with Pre-Existing Conditions are Protected by the Health Care Law*, (July-Aug. 2012), <http://www.familiesusa.org/resources/publications/reports/health-reform/worry-no-more-states.html>.

<sup>7</sup> Thomas D. Musco, and Benjamin D. Sommers, U.S. Department of Health and Human Services, ASPE Issue Brief, *Under The Affordable Care Act, 105 Million Americans No Longer Face Lifetime Limits on Health Benefits* (March 2012), available at <http://aspe.hhs.gov/health/reports/2012/LifetimeLimits/ib.shtml>.

<sup>8</sup> Grandfathered plans do not have to cover the list of preventive services. Grandfathered plans are group plans that were created or individual plans that were purchased before March 23, 2010. A plan becomes “un-grandfathered” if it significantly cuts benefits, increases co-insurance, increases co-payments by the greater of medical inflation plus 15 percentage points or medical inflation plus \$5, increases deductibles or out-of-pocket limits by greater than medical inflation plus 15 percentage points, decreases premium contributions by more than 5 percentage points, or adding or lowering annual limits. If a plan becomes “un—

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grandfathered” it will be required to cover the preventive services with no cost sharing. It is expected that most plans will lose their grandfathered status by 2019.

<sup>9</sup> Coverage of Preventive Health Services, 47 CFR § 147.130 (2011), and Women’s Preventive Services: Required Health Plan Coverage Guidelines (Aug. 1, 2011), <http://www.hrsa.gov/womensguidelines/>.

<sup>10</sup> Laura Skopec and Benjamin D. Sommers, U.S. Department of Health and Human Services, ASPE Issue Brief, *Seventy-one million additional Americans are receiving preventive services coverage without cost-sharing under the Affordable Care Act* (March 2013), available at [http://aspe.hhs.gov/health/reports/2013/PreventiveServices/ib\\_prevention.cfm](http://aspe.hhs.gov/health/reports/2013/PreventiveServices/ib_prevention.cfm)

<sup>11</sup> Rate Review Works: Early Achievements of Health Insurance Rate Review Grants (Sept. 20, 2011), available at <http://www.healthcare.gov/law/resources/reports/rate-review09202011a.pdf>.

<sup>12</sup> Healthcare.gov, *The 80/20 Rule: Providing Value and Rebates to Millions of Consumers* (June 2012), available at: <http://www.healthcare.gov/law/resources/reports/mlr-rebates06212012a.html>.

<sup>13</sup> Lambrew, Jeanne, *New Data: The Affordable Care Act in Your State* (March 5, 2012), available at <http://www.whitehouse.gov/blog/2012/03/05/new-data-affordable-care-act-your-state>.

<sup>14</sup> Centers for Medicare and Medicaid Services, *The Affordable Care Act: A Stronger Medicare Program*, (Feb. 2013), available at: <http://www.cms.gov/apps/files/MedicareReport2012.pdf>

<sup>15</sup> Supra note 3

<sup>16</sup> Genevieve M. Kenney et. al., The Urban Institute, *Opting in to the Medicaid Expansion under the ACA: Who Are the Uninsured Adults Who Could Gain Health Insurance Coverage*, (August 2012), available at: <http://www.urban.org/UploadedPDF/412630-opting-in-medicaid.pdf>.

<sup>17</sup> John Holahan et. al, The Urban Institute, *The Cost and Coverage Implications of the ACA Medicaid Expansion: National and State-by-State Analysis*, November 2012, available at: <http://www.kff.org/medicaid/upload/8384.pdf>.

<sup>18</sup> *ibid*

<sup>19</sup> *ibid*

<sup>20</sup> *ibid*

<sup>21</sup> Danielle Garrett, National Women’s Law Center, *Turning to Fairness: Insurance Discrimination against Women Today and the Affordable Care Act*, (March 2012).