

Health Reform and Mental Health

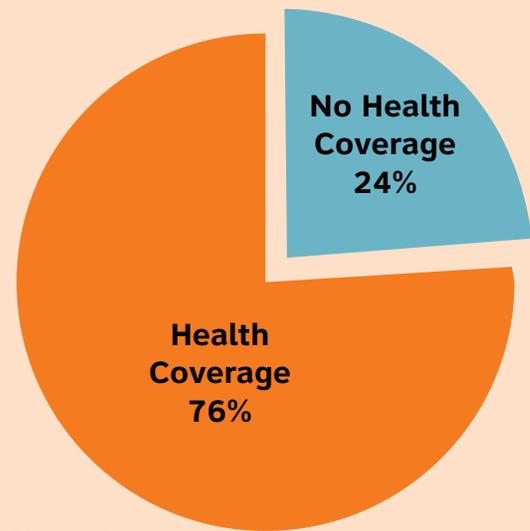
People with health insurance coverage live longer healthier, happier lives and are better off financiallyⁱ yet millions of Americans affected by mental illness cannot get insurance to cover needed mental health care. The health reform law, the Patient Protection and Affordable Care Act (ACA)ⁱⁱ offers new choices for quality, reliable, low cost private health insurance and opens Medicaid to more people living with mental illness.

The Need

Over 11 million (24 percent) of US adults affected by mental illness have no health coverage.ⁱⁱⁱ Uninsured adults are more than twice as likely to delay or skip medical care, leading to serious health issues, problems on the job, and use of emergency services or hospitalization.^{iv}

- Medicaid pays health care costs for low-income Americans, but in most states adults with no children cannot get Medicaid unless they are on Supplemental Security Income (SSI).
- Health plan applications are often rejected for adults with pre-existing conditions such as mental illness.
- Even people with health insurance face unequal or no benefits for mental health or substance use care.

Uninsured Adults: Mental Health/Substance Use Conditionsⁱⁱⁱ



US 2011 total:
45.6 million adults with mental health or substance use conditions

New Health Plan Options

The health reform law requires most Americans to have health insurance, but also makes it easier to get and may be less expensive. By submitting a simple online form, customers will get information right away to show whether the best option is Medicaid or a new online insurance marketplace plan. Starting Oct. 1, 2013, those who need help filling out the form can call a state toll-free number or get local help.

New Private Insurance Marketplace

In 2014 uninsured Americans will be able to buy a private insurance plan that meets their health care and financial needs through a new online health insurance marketplace.

Financial help: The government will help pay part of premiums and out-of-pocket costs for people with incomes between 100 percent and 400 percent of the federal poverty level (FPL).

Parity: All individual and small group plans both inside and outside the health insurance marketplaces must cover mental health treatment at the same level as other types of care.

More People Will Get Medicaid

Medicaid is a government program to pay health costs for low-income people. Rules vary by state, but in most states Medicaid is only available to pregnant women, children, some parents and people with disabilities who receive SSI.

In 2014 Medicaid will be available to anyone with an income at or below 138 percent of FPL. That means it will no longer be required to prove disability before getting into Medicaid.

Are you eligible for Medicaid Expansion plans or government help buying insurance? ^{vi}

Family Size	100%	138%	400%
1	\$11,490	\$15,856	\$45,960
2	\$15,510	\$21,404	\$62,040
3	\$19,530	\$26,951	\$78,120
4	\$23,550	\$32,499	\$94,200

Insurance Reforms to Protect Customers

The health reform law requires insurance companies to follow new rules now.

- Young adults can be covered on a parent's plan until age 26.
- Plans cannot drop coverage due to illness.
- Plans must cover youth with pre-existing conditions up to age 19.
- Plans cannot put lifetime limits on basic health or mental health care.
- Plans cannot charge more for out-of-network emergency room service.
- Plans must cover preventive care at no cost to the customer.
- Plans must spend more of the premium dollar on health care.
- Plans must have a fair appeals process for service denials and a fair complaints process.

In 2014 More Rules Will Apply

- Plans must cover mental health and substance abuse at parity.
- Plans must cover basic care. Ten types of Essential Health Benefits (EHB) must be covered through the new online health insurance marketplace and expanded Medicaid plans.
- Plans must cover anyone with pre-existing conditions.
- No annual limits are allowed for basic health care.
- Plans must accept every employer and individual who applies for coverage.
- Fairness is promoted through premium rate differences. Plans may not charge based on gender or health problems.
- Plans must have a user-friendly statement of benefits.

Advocacy Point!

Ending spending limits on coverage is especially important for anyone who has mental illness because recovery is an ongoing process. Gaps in treatment due to limits on care can be harmful.

"I went back to work and lost Medicaid. My company offers insurance, but every application was turned down because I have schizophrenia. I couldn't get my meds so I lost my job. Now I'm trying to get back on Medicaid, but it's taking too long. What can I do?"

In 2014 private plans sold through the new online health insurance marketplaces will not be able to turn individuals down. Plans must cover mental health treatment on equal terms with other types of care. If they lose their job, they will be able to get back on Medicaid quickly.

Sources:

ⁱ Baicker, K; Finkelstein, A; (2011) The effects of Medicaid coverage: Learning from the Oregon experiment. N Eng. J Med www.nejm.org/doi/full/10.1056/NEJMp1108222.

ⁱⁱ The Patient Protection and Affordable Care Act (PPACA). (2010, March 23). <http://healthcare.gov/law/full>.

ⁱⁱⁱ Substance Abuse and Mental Health Services Administration, *Results from the 2011 National Survey on Drug Use and Health: Mental Health Findings*, NSDUH Series H-45, HHS Publication No. (SMA) 12-4725. Rockville, MD: Substance Abuse and Mental Health Services Administration, 2012. www.samhsa.gov/data/NSDUH/2k11MH_FindingsandDetTables/2K11MHFR/NSDUHmhr2011.htm#Fig2-1.

^{iv} Kaiser Commission on Key Facts. (October 2011). *The Uninsured and the Difference Health Insurance Makes*. www.kff.org/uninsured/upload/1420-13.pdf.

^v Foundation for Health Coverage Education, "2012 Federal Poverty Level." http://coverageforall.org/pdf/FHCE_FedPovertyLevel.pdf.

^{vi} 2013 Federal Poverty Guidelines. Chart by Families USA. www.familiesusa.org/resources/tools-for-advocates/guides/federal-poverty-guidelines.html. The Health Foundation of Greater Cincinnati. (2012). *Learn About the Patient Protection and Affordable Care Act*. <http://reform.healthfoundation.org>.