



Implementation of Health Care Reform

Ohio must act to take advantage of the new consumer protections and opportunities to expand affordable coverage to more Ohioans. Decisions by Ohio's policymakers are needed to make sure health care reform is implemented effectively and in the most beneficial way for all Ohioans.

Rate Review Assistance:

Health insurance premiums have been rising each year, threatening our whole economy. \$250 million in grant funding will be available to states over a five-year period starting in 2010 to help states strengthen review of insurance premium rates. Ohio needs to take advantage of federal funding and technical assistance to review requests from insurance companies and deny those that are unreasonable. ***OCHC recommends that Ohio take this opportunity to strengthen its review of rate increases by requiring public hearings on requests for rate increases and adopting strict standards for rate premium increases to protect the public.***

Minimum Medical Loss Ratios:

Beginning in 2011, insurance companies will have to meet minimum medical loss ratios (the percentage of each premium dollar that insurers spend on providing health care to their customers). If the spending falls below these minimums, the insurers will have to provide rebates to consumers. The law establishes a minimum loss ratio of 80% for the individual and small group health insurance markets and 85% for the large group market. ***OCHC recommends that the minimum loss ratios of all insurance companies doing business in Ohio be published prominently on the Ohio Department of Insurance website.***

Small Business Tax Credits:

This year, many small businesses will qualify for a new tax credit to help them afford coverage for their employees. ***OCHC recommends that Ohio provide information about the tax credit in routine communications with small businesses and on state agency websites, including the Secretary of State and departments of Taxation and Insurance.***

Option to Expand Medicaid Before 2014 Requirements:

Beginning in 2014, all states will be required to expand Medicaid eligibility to persons with incomes up to 133% of the federal poverty level. The states will receive full financing for this expansion in years 2014 through 2016. But, beginning in April 2010, states can expand Medicaid eligibility to adults with incomes up to 133% of poverty. This expansion would be at the state's regular federal matching rate for coverage (less than 37% of the full cost). Early implementation will enable Ohio to move incrementally to expanded coverage, allowing

providers to gradually incorporate these newly insured Ohioans. ***OCHC recommends that in the 2011-2012 state budget, our lawmakers provide funding to cover the poorest childless adults who currently have few options for access to health benefits—especially since the Disability Medical Assistance program was terminated in 2009.***

Grants for Consumer Assistance or Health Insurance Ombudsman Programs:

\$30 million in grant funding will soon be available for states to establish or support consumer assistance programs. These programs will help consumers with current coverage issues and appeals, and will provide information and referrals. ***OCHC recommends that Ohio be aggressive in applying for funding and work with consumer organizations to most effectively utilize funding.***

Changes to Community Benefit Requirements for Nonprofit Hospitals:

The tax exemptions to nonprofit hospitals, worth millions of dollars, are granted in exchange for hospitals' activities to benefit the community. Under the new law, nonprofit hospitals will be required to conduct a community health needs assessment to guide their community benefit programs and have written guidelines for their financial assistance policies. When a person who is eligible for financial assistance receives emergency services, the hospital must limit charges for that care to the lowest amount charged to an insured person. ***OCHC recommends that the Ohio Attorney General collect and make available to the public the hospital financial assistance guidelines and community needs assessments. The Attorney General should ensure hospital compliance with these new requirements.***

Temporary Coverage for Uninsured People with Pre-Existing Conditions:

Effective July 1, federal funding is available to cover individuals with pre-existing conditions who have been uninsured for six months through the new "temporary high-risk pool." This program, available through 2014, will provide affordable coverage to Ohioans with pre-existing conditions until new insurance protections and subsidies go into effect in 2014. ***OCHC supports efforts by the Ohio Department of Insurance to make sure uninsured Ohioans with pre-existing conditions secure the benefit of the new high risk pools at the most affordable premium rate.***

Ohio Consumers for Health Coverage is available as a resource to the state's executive and legislative branches as these first health care reform changes are implemented. It is important that the consumer voice be at the table as important decisions and policies are adopted.

Information adapted from the Families USA report, "Health Reform Implementation: The First 90 Days."

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