

# Questions on the new health care law? We have **answers...**



Your kids are **covered.**



You can't be **dropped.**



You can't be **denied insurance.**



You don't have to **wait** for coverage.



**HEALTHCARE**  
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# Ten Things to Know About the New Health Care Law

1

**Your kids are covered.** Starting this year, if your adult children cannot get health insurance at work, they may be able to stay on your insurance policy until they're 26 years old instead of being dropped once they reach 19 or leave school.

2

**You can't be dropped.** Starting this fall, your health insurance company will no longer be allowed to "drop" you (cancel your policy) if you get sick.

3

**You can't be denied insurance.** Starting this year, your children under age 19 cannot be denied coverage simply because they have a pre-existing condition. Health insurance companies will also be barred from rejecting adults for pre-existing conditions starting in 2014. (Until then, those adults will be able to get subsidized coverage through a new national "high-risk" insurance pool.)

4

**You can spend what you need to.** Until now, insurance companies could set limits on the benefits you could receive. If you had an expensive condition, like cancer, or you were in a serious accident, you could run out of coverage. The new law changes that: Starting this year, companies will be barred from instituting lifetime caps on coverage, and annual limits will be restricted until they are eliminated in 2014.

5

**You don't have to wait.** If you haven't been able to get health insurance because of a pre-existing condition, you have new coverage options. Starting this fall, you can purchase insurance through a "high-risk" pool, which will cap your out-of-pocket expenses for health care.

6

**Small businesses will get big help in paying for health insurance.** Starting immediately, small businesses may be eligible for tax credits of up to 35% of the cost of providing insurance, rising to 50% in 2014.

7

**Medicare will pay more of the expenses of average-income seniors.** Starting in 2011, preventive care, such as an annual physical, will be free under Medicare. This year, if you fall into the Medicare Part D donut hole, you'll get a \$250 rebate from the government. Starting next year, the price of brand-name drugs in the donut hole will be discounted 50% until the donut hole is filled in entirely in 2020.

8

**You'll need to have insurance.** Right now, we all pay for expensive emergency room care for uninsured people. Requiring everyone to be insured will make sure everyone pays their fair share, and will lower costs for all of us. Under the new law, starting in 2014, if an individual doesn't have insurance, that person may pay an additional tax. But there are options: If your employer does not offer health insurance or if you do not earn enough to get a plan, the government can help.

9

**You'll have more options.** Starting in 2014 (when everyone will be required by law to have health insurance), states will operate new insurance marketplaces—called "exchanges"—that will provide more options if you can't get insurance from your workplace, or if your employer can find more affordable coverage through the exchange. In addition, millions of working families (earning up to \$88,200 annually for a family of four) will qualify for financial assistance to purchase insurance through their state exchange.

10

**If you earn more, you'll pay more.** Starting in 2013, if your combined family income exceeds \$250,000, you will pay more in Medicare payroll taxes. In addition to higher payroll taxes, you will also be taxed on any unearned income, which is currently exempt from the Medicare payroll tax.

