



Learn About...

New Consumer Protections Under the Affordable Care Act

Getting Value for Your Premium Dollar

The Affordable Care Act requires health insurance companies to spend your premium dollars primarily on health care and quality improvements and discourages unreasonable health insurance premium increases.

Read more below and at www.HealthCare.gov.

How does the law help me get the most for my money?

To make sure your premium dollars are spent primarily on health care and to improve the quality of the care you receive, the new law limits how much of your premium dollar insurers can spend on administrative costs, marketing, and other non-health care-related costs. If your insurance company exceeds that limit, it must provide a rebate to you.

The law also requires your health insurer to justify unreasonable premium increases to your State regulator and the Secretary of the U.S. Department of Health and Human Services.

The Affordable Care Act is the name given to the comprehensive health care reform law enacted on March 23, 2010.

How does the law ensure the bulk of my premium dollar goes for health care or quality improvements?

- The law requires insurers to spend at least 80 percent (and for large plans that are not self insured, at least 85

per cent) of your premium dollars on direct medical care and efforts to improve the quality of care you receive.

- If you get your insurance from a large employer plan that is self-insured, these rules do not apply to you.

If you're not sure which, if any of these requirements apply to your plan, you can check with your employer, insurer, or your State insurance regulator. You can get contact information for your State regulator through the National Association of Insurance Commissioners (NAIC) at: 1-816-783-8300 or go to their Web site for the list of State regulators: http://www.naic.org/state_web_map.htm. Your State may also have a Consumer Assistance Program that can help. Contact information for State Consumer Assistance Programs may be available at the end of this fact sheet or online at: <http://www.HealthCare.gov>.

When does this premium protection affect my plan?

If this protection applies to your plan (see above) it will affect you when you start a new plan year or policy year on or after January 1, 2011.

A **plan year** refers to a 12-month period of benefits coverage—which may not be the same as the calendar year. This period is called a **policy year** for individual health insurance. To find out when your plan or policy year begins, you can check your plan or policy documents or contact your employer or insurer. For example, if your policy year began on September 1, 2010, the new rules would apply to your coverage beginning September 1, 2011.

How do I know what my insurer spends my premium dollar on?

Beginning in January 2011, all insurers will be required to publicly disclose their rates on the Federal government's new national consumer Web site: **www.HealthCare.gov**.

How do I get a rebate?

The rebate program will begin on January 1, 2011, with rebates, if required, paid beginning in 2012. Your plan will participate at the start of the first plan or policy year on or after that date. More details on the rebate program will be forthcoming.

Visit **www.HealthCare.gov** to learn more about the Affordable Care Act and how you can make the most of your expanding health care choices.

What other protections does the Affordable Care Act offer consumers?

The Affordable Care Act includes many other consumer protections that apply to most health coverage starting on or after September 23, 2010. These include rules that:

- Stop insurance companies from denying coverage to children younger than 19 because of a pre-existing condition.
- Prohibit insurers from taking away your coverage based on an unintentional mistake on an application.
- Protect your choice of health care providers and access to emergency care.
- Allow consumers to add or keep children on their health policies until age 26.
- Stop insurers from putting annual and lifetime dollar limits on your coverage.
- Require plans to provide recommended preventive services without cost-sharing requirements for those services.
- Ensure your right to appeal to an independent entity when your plan denies payment for a service or treatment.

HEALTH EDUCATION AND ADVOCACY UNIT
MARYLAND ATTORNEY GENERAL'S OFFICE
CONSUMER PROTECTION DIVISION
HOTLINE: 410-528-1840 OR 877-261-8807 (TOLL FREE)
WWW.OAG.STATE.MD.US/CONSUMER/HEAU.HTM

