

## **“No Illness or Accident Should Lead to Any Family’s Financial Ruin”**

In 1974, Hawaii was the first state to aim for universal health care coverage in its precedent-setting *Prepaid Health Care Law*. Hawaii’s son in the White House, President Barack Obama, made secure health coverage his goal for the nation in his landmark Affordable Care Act in 2010. On June 28, 2012, the U.S. Supreme Court upheld the law. President Obama discussed the ruling, saying “here in America, in the wealthiest nation on earth, no illness or accident should lead to any family’s financial ruin.”

Four main points of the Affordable Care Act are (1) ensuring people get the care they pay premiums for; (2) increasing access; (3) improving affordability; and (4) supporting these changes. According to a CNN article, more than 60% of bankruptcies are due to overwhelming medical bills. Because medical care is essential, President Obama says that the law helps families get the assurance they deserve and protects them against abuses by insurance companies.

The Affordable Care Act strives to keep insurance companies accountable to those who pay premiums. One goal was to ensure that premiums people paid each month were actually spent on health services. Starting in 2011, insurance companies were required to spend at least 80% of the premiums they collected directly on medical care and quality improvement. If not, the companies have to return the extra money to its plan members. This summer, almost 13 million Americans will get a rebate because their insurance companies spent too much of premiums on advertising or CEO bonuses.

Second, health plans are now banned from dropping patients from coverage when they get sick and need the medical services. Third, starting in 2014, the law bans annual and lifetime coverage caps so that people don’t lose access to the treatment they need. Fourth, insurance companies no longer have unchecked power to charge women more than men.

Fifth, premium rate increases 10% or more must be reviewed or approved by the state to prevent the hardship created by it. Only 20 states currently review rate increases. Sixth, insurance plans must now cover ambulance and emergency services; hospitalization; maternity and newborn care; mental health and substance abuse treatment; prescription drugs; rehabilitation and self-help services and devices; laboratory tests; preventive wellness services and chronic disease management; and pediatric care including dental and vision.

Seventh, because staying healthy is cheaper than being sick, preventive care for many Americans is now free. Over 54 million Americans have benefited from coverage of free preventive care, such as mammograms for women and wellness visits for senior citizens. Eighth, insurance companies cannot deny coverage to children with pre-existing conditions, and as of 2014, the ban on denial extends to adults also.

Access to medical services increased in the ACA’s two years. Before November 30, 2011, health plans often denied coverage to those with pre-existing conditions. President Obama’s reforms changed that, giving insurance to more than 44,852 individuals through high-risk pools. Young adults used to fall in a gap group – too old to be their parents’ dependents but unable to afford

their own insurance. Now with the ACA, 6.6 million persons under the age of 26 are covered under their parents' health plans.

Affordability is also key in the ACA. Already 5.3 million seniors and disabled persons have saved an average of over \$600 on prescription medications. In 2011, 24.2 million Medicare patients (the elderly) received preventive health screenings, including a wellness exam, without any co-payments.

Businesses benefit as well under the Affordable Care Act. Offering health insurance as a benefit helps employers keep good workers. Companies get tax credits for the health insurance they provide to their employees, making it easier for companies to offer this. So far under the ACA, 360,000 businesses that employ 2 million workers have already gained from the tax cuts in the law. After the ACA takes full effect, about 18 million individuals and families will get tax credits for health insurance coverage, that average about \$4,000 each.

Finally, the Affordable Care Act adds medical residency slots nationwide to train 500 more primary care physicians by 2015. Preparing more doctors for primary care and temporary increases in Medicaid payments to doctors will support the increase in demand for medical services due to millions more Americans being able to get care. Medical paraprofessionals also gain. The ACA also provides grants to expand nursing education and training, funds clinics run by nurse practitioners, and gives financial incentives to physician's assistants to work in primary care. All of these are designed to get more practitioners into needy communities, which are mainly small rural towns and big city health clinics.

There's a tremendous amount of good that came about from President Obama's courage and vision to make sure that all Americans receive the health care they need, and a lot of good that is still to come. We should be proud of our island son and the courage it took to attain this landmark law.

#### *Medicaid Expands Eligibility and Benefits on July 1*

On January 1, 2014, new Medicaid rules take effect across the country. The changes will expand coverage to 16 million more low-income Americans. State officials are preparing for the increase in newly eligible persons. Income eligibility changes took effect on July 1, 2012. Income limits for able-bodied adults (QUEST-ACE or QUEST-Net) will decrease to 133% of the federal poverty level, while the asset limit will increase from \$2000 to \$5000 for an individual. Coverage in QUEST will be unchanged, and coverage for adults in QUEST-ACE or QUEST-Net will be expanded to be the same as in QUEST, which is now known as the QUEST-Adult benefit package. Coverage remains the same for children, except that the new benefit package name is QUEST-Keiki. The elderly (adults over age 65), blind, and disabled will still be covered in the QUEST Expanded Access, with no changes in the benefits or eligibility.

Before 2014, people who lose Medicaid eligibility can buy their own health insurance policies. They can also seek medical care at any of the 14 federally qualified health centers. The ACA increased

federal funding to community health centers by \$11 billion over five years, to cover services to existing patients and the 20 million more expected to use the centers by 2019.

The Supreme Court ruling ended lawsuits by 28 states, primarily led by Republican governors, that sought to block President Obama's reforms. In sharp contrast is Montana Governor Brian Schweitzer. The high-spirited, third-generation rancher insisted that the President's reforms should go farther. He took senior citizens to Canada to get cheaper prescription medicines. He's working on developing a Saskatchewan-style model for Montana, because Canadians have better health outcomes thanks to their system. His cattleman's sense of finance cut so much waste from the Montana state budget that it added 3000 more children to the state's health care program. Both Governor Schweitzer and President Obama agree that helping people stay healthy and get the care they need is good for America.

FEDERALLY QUALIFIED HEALTH CARE CENTERS AND RURAL HEALTH CLINICS

<b><u>OAHU - Honolulu</u></b>	<b><u>Kauai</u></b>
Downtown Clinic, 792-5566 89 S. King Street, Honolulu	Kauai Community Health Center, 240-0140 4643-B Waimea Canyon Drive, Waimea
Kalihi-Palama Health Center, 848-1438 915 N. King Street, Honolulu	Kauai Community Health Center, 240-0170 4800-D Kawaihau Road, Kapaa
Kokua Kalihi Valley, 791-9400 2239 N. School Street, Honolulu	<b><u>Maui</u></b>
Waikiki Health Center, 922-4787 277 Ohua Avenue, Honolulu	Malama I Ke Ola Health Center, 871-7772 48 Lono Avenue, Kahului
<b><u>OAHU - Windward</u></b>	Hana Community Health Center, 248-8294 4590 Hana Hwy., Hana
Koolauloa Community Health Center, 293-9216 56-565 Kamehameha Hwy., Kahuku	<b><u>Hawaii</u></b>
Koolauloa Community Health Center, 293-9216 54-316 Kamehameha Hwy., Hauula	Bay Clinic Hilo Family Health Center, 969-1427 1178 Kinoole Street, Bldg. B, Hilo
Waimanalo Health Center, 259-7948 41-1347 Kalaniana'ole Hwy, Waimanalo	Pahoa Family Health Center, 965-9711 15-2866 Pahoa Village Road, Pahoa
<b><u>OAHU - Leeward</u></b>	Kau Family Health Center, 929-7311 95-5583 Mamalahoa Hwy, Naalehu
Waipahu Family Health Center, 676-7233 94-428 Mokuola St., #108B & 305B, Waipahu	Keaau Family Health Center, 930-0400 92-191 Pilimua Street, Keaau, HI 96749
Kapolei Health Care Center, 674-9352 91-525 Farrington Hwy., #102, Kapolei	Hamakua Health Center, 775-7206 45-549 Plumeria Street, Honokaa
James & Abigail Campbell Clinic, 668-2311 87-2070 Farrington Hwy., Nanakuli	Kohala Family Health Center, 889-6236 53-3925 Akoni Pule Highway, Kapaau
Waiola Clinic, 696-4533 86-120 Farrington Hwy., #C305B, Waianae	West Hawaii Community Health Center, 326-5629 75-5751 Kaukini Hwy., # 101A, Kailua-Kona
Waianae Coast Comprehensive Center, 696-7081 86-260 Farrington Hwy, Waianae	Ka`u Hospital Rural Health Clinic, 928-2027 1 Kamani Street, Pahala
<b><u>Molokai</u></b> Molokai Community Health Center, 553-5038 28 Kamoi Street, Suite 600, Kaunakakai	<b><u>Lanai</u></b> Lanai Community Health Center, 565-6919 624 A Houston Street, Lanai City

